



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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December 4, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-05112 and award a contract to Scher Tire, Inc., a Long Beach-based business (Local; not an MBE, WBE or SBE), for furnishing and delivering tires, in an amount not to exceed \$470,000, for a period of one year, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is being requested to enter into an annual Citywide contract with Scher Tire, Inc., for furnishing and delivering tires to support the Department of Financial Management, Fleet Services Bureau, Water Department and Harbor Department tire maintenance program. The tire maintenance program consists of new tires and tire-related accessories for small, medium, heavy-duty and specialty vehicles, and safety tires for police and fire department vehicles. This contract will support over 2,100 vehicles Citywide.

The City's Fleet equipment requires tires that meet the manufacturer's specifications. These requirements were reevaluated and identified in the bid specifications in order to better meet the equipment needs and seek potential cost savings. These improved specifications allow the City to properly utilize tires and tire-related accessories according to the manufacturer's specifications.

The bid was advertised in the Press-Telegram on September 14, 2012 and 134 potential bidders specializing in tires were notified of the bid opportunity. Of those bidders, 13 downloaded the bid via our electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority, and women's business groups. One bid was received on September 27, 2012 from Scher Tire, Inc., a Long Beach-based business (Local; not an MBE, WBE or SBE).

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses were encouraged to submit bids for City contracts. The Purchasing Division assisted businesses with registering on our Bids Online database to download the bid specifications. Through outreach, 37 Long Beach vendors were notified to submit bids, of which four downloaded and one submitted a bid. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on November 1, 2012 and Budget Management Officer Victoria Bell on November 7, 2012.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-05112 and award a contract is requested on December 4, 2012 to ensure that the contract is in place expeditiously.

FISCAL IMPACT

The annual not to exceed cost of this contract is \$470,000. Of that amount, \$375,000 is budgeted in the Fleet Services Fund (IS 386) in the Department of Financial Management (FM); \$70,000 in the Water Fund (EF 310) in the Water Department (WA); and, \$25,000 in the Harbor Fund (HA 430) in the Harbor Department (HA). The award of this contract will provide continued support to our local economy by assisting in the preservation of six full-time employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



**JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT**

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APPROVED:



**PATRICK H. WEST
CITY MANAGER**