



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

October 5, 2004

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

SUBJECT: Adopt Specifications No. PA-00505 and Award Contracts to Sudduth Tire Company, Incorporated, and Scher Tire, Incorporated, to Purchase Tires and Tire Services (Citywide)

DISCUSSION

City Council approval is being requested to enter into a Citywide contract for the purchase of tires and tire services to support the City's tire maintenance program. The City's tire maintenance program consists of tire service (Section A), including on- and off-road 24-hour repair service, and new tires and tire-related accessories (Sections B and C) for small, medium, heavy duty and specialty vehicles. It is recommended to award this contract by section to ensure the lowest cost to the City.

The bid was advertised on August 2, 2004, and bids were opened on August 25, 2004. The bid document was made available from the Purchasing Division located on the Plaza Level of City Hall and the Division's website at www.lbpurchasing.org. Twelve potential bidders specializing in tires and tire service were notified; one is a Minority-owned Business Enterprise (MBE), one is a Women-owned Business Enterprise (WBE), and two are Long Beach businesses. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities sent to 32 local, minority and women's groups. Sudduth Tire Company, Incorporated, of Long Beach, California, was the lowest responsible bidder for Section A (tire service), and Scher Tire, Incorporated, of Riverside, California, was the lowest responsible bidder for Sections B and C (tires and tire-related accessories).

This matter was reviewed by Senior Deputy City Attorney Donna F. Gwin on July 27, 2004 and Budget Management Officer David Wodynski on September 22, 2004.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-00505 and award the contracts concurrently is requested on October 5, 2004 to ensure that new contracts are in place expeditiously.

HONORABLE MAYOR AND CITY COUNCIL

October 5, 2004

Page 2

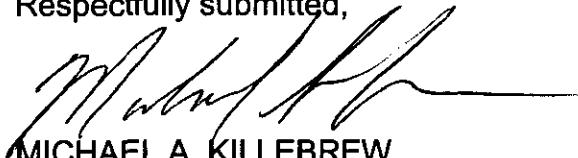
FISCAL IMPACT

The cost of the contracts, in the estimated amount of \$500,000 annually, is budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW) and the Departments of Harbor and Water. This estimate is based on historical expenditures and reflects no increase from the annual amount approved in the previous contract. The City will have the option of adding expenditures up to 10 percent above the contract amount.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

- 1) Adopt Specifications No. PA-00505 and award contracts to Sudduth Tire Company, Incorporated, and Scher Tire, Incorporated, to purchase tires and tire services in the estimated annual amount of \$500,000. The term of the contract will be for one year, with the option for two additional one-year periods.
- 2) Authorize amendments to exercise the City's option to renew where noted and authorize the City Manager to execute same.


Respectfully submitted,



MICHAEL A. KILLEBREW

ACTING DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

MAK:JV:cm