



Legislation Text

File #: 09-0580, **Version:** 1

Recommendation to adopt Specifications No. PA-01709 and award contracts for the purchase of retread tires and service to Sudduth Tire Co. Inc., in the amount of \$165,000 and to Industrial Tire Service in the amount of \$50,000 for a period of one year, with the option of renewing for one additional one-year period, at the discretion of the City Manager, with the option of adding expenditures up to 10 percent (or \$21,500) above the annual contract amount, if necessary and if funds are available. (Citywide)

City Council approval is requested to enter into annual contracts with Sudduth Tire Co., Inc., and Industrial Tire Service for the purchase of retread tires and service to support the City's tire maintenance program. The City's tire maintenance program consists of the retreading of tires and tire-related accessories for small, medium, heavy duty and specialty vehicles, safety tires for police and fire, and tire service.

In an effort to obtain the most cost effective pricing, comprehensive bid specifications were created that incorporated retread tires and service along with annual usages. The bid specifications allowed the City of Long Beach to achieve economies of scale and ensure the City is receiving the most competitive prices.

The bid was advertised on March 28, 2009, and 17 potential bidders specializing in retread tires and service were notified; one is a Woman-owned Business Enterprise (WBE), none are Minority-owned Business Enterprises (MBEs), none are Small Business Enterprises (SBEs) and two are Long Beach businesses. 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 on Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Seven bids were received and a public bid opening occurred on April 21, 2009. Sudduth Tire Co., Inc., of Long Beach, CA (local and WBE) and Industrial Tire Service, of Long Beach, CA (local) are the lowest responsible bidders.

This matter was reviewed by Deputy City Attorney Amy R. Burton on May 18, 2009 and Budget and Performance Management Bureau Manager David Wodynski on May 20, 2009.

SUSTAINABILITY

Tires used by the City are intended to gain maximum use and wear. Tires are recapped when safe and feasible to do so. Fees are paid to the contractor per tire for proper ecological disposal. In the event the tire(s) cannot be recapped, they will be sent to Crumbs Rubber Manufacturing to be recycled into road base, playground mats or similar products.

- **Environmental benefits** - safe tires, inflated and properly maintained, reduce fuel consumption and emissions, by reducing drag. Recapping

tires reduces the impact of spent core(s) by recycling and reusing worn tires. Recapping tires locally reduces GHG emissions by reducing shipping distance.

- **Energy security benefits** - utilizing safely inflated and maintained vehicle tires reduces energy consumption. Utilizing retread tires reduces energy in manufacturing and distribution.
- **Economic benefits** - Retread tires cost substantially less to the City than new tires. Properly maintained and mounted tires utilizing maximum wear within proper safety parameters, reduces waste and maximizes the full use of the product.
- **Quality benefits** - Retread tires properly vulcanized and mounted will wear at a rate similar to a newly purchased tire.

City Council action to adopt Specifications No. PA-01709 and award the contracts concurrently is requested on June 9, 2009 to ensure that the contracts are in place expeditiously.

The cost of these contracts is \$215,000 annually and is budgeted in the Fleet Services Bureau (IS 386) in the Department of Public Works (PW). The City will have the option of adding expenditures up to 10 percent (or \$21,500) above the annual contract amount, if necessary and if funds are available.

Approve recommendation.

LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO

MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

NAME
TITLE

APPROVED:

PATRICK H. WEST
CITY MANAGER