

# **City Council Report**

Date: September 22, 2014

To: City Council

**Through**: Alex Deshuk, Manager of Technology and Innovation

- From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director Matt Bauer, MBA, CPPO, CPPB, Procurement Administrator
- Subject: One-Year Renewal of the Term Contract for Bridgestone Tires for the Materials and Supply Warehouse (for Fleet Services and Fire & Medical Departments) (Citywide)

## **Purpose and Recommendation**

Council is requested to approve the Renewal of the Term Contract for Bridgestone Tires as recommended.

Materials and Supply, Fleet Services, Fire and Medical, and Purchasing recommend authorizing a one-year renewal using the State of Arizona/Western States Contracting Alliance (WSCA) cooperative contract with Firestone Complete Auto Care and Redburn Tire Company (Mesa locations for both vendors) at \$245,000 annually, based on estimated requirements.

## **Background / Discussion**

This contract provides Bridgestone Firestone brand tires for use by Fleet Services and Fire Resource Management to maintain the City's fleet and Fire vehicles. The contract is primarily used for the larger tires for heavy-duty vehicles such as Solid Waste trucks and Fire apparatus. Different brands of tires are required to meet the needs of varying vehicles and applications as well as to match existing tires on vehicles and equipment throughout the City. Tires are inventoried and ordered as-needed by the Warehouse and Fire Resource Management.

This contract was competitively solicited by the State of Utah on behalf of WSCA and approved by the State of Arizona. Due to the volume discounts offered by Bridgestone Firestone to the fifteen plus states and participating agencies, this contract is advantageous to the City. Mesa is able to utilize this contract through the State of Arizona, as a WSCA member. This contract will allow for expedited tire purchases as well as a substantial cost savings.

The contract allows the agency to select from the list of authorized distributors and staff has chosen the Mesa locations, Firestone Complete Auto Care and Redburn Tire Company.

On March 21, 2014, State of Arizona renewed their contract through 9/30/2015 with Bridgestone Americas Tire Operations, LLC. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

On July 2, 2012, Council approved the initial contract at \$260,000 with four, one-year renewal options; and authorized the first, one-year renewal at \$225,000 on October 28, 2013. This is the second, one-year renewal (10/1/2014 through 9/30/2015) contract with two, one-year renewal options remaining.

# Alternatives

Council may choose not to authorize the purchase and new bids will be obtained.

## **Fiscal Impact**

The annual contract amount is funded: \$45,000 by the Materials and Supply operating budget and \$200,000 by the Fire and Medical department operating budget.

### **Coordinated With**

Business Services - Materials and Supply and Purchasing

### **PURCHASING INFORMATION**

Action: Renewal Contracting Agency: State of Arizona Contracting Agency Contract Number: ADSPO12-021289 Mesa Contract Number: 2012015 Initial Contract Term: 7/2/2012 through 9/30/2013 Renewal Term: One Year Renewal Terms Remaining: Two, one-year renewals subject to State of Arizona/WSCA renewals and future Council consideration Prices: Due to the volume discounts offered by Bridgestone Firestone to the fifteen plus states and participating agencies, continuing use of the cooperative contract is

advantageous to the City.

## **RENEWAL RECOMMENDATION**

Firestone Complete Auto Care (Three Store Locations) Mesa, AZ

#### Redburn Tire Company Mesa, AZ

#### Description

Bridgestone Tires per Terms and Conditions, Specifications and Pricing as offered per ADSPO12-021289

## Annual Contract Amount: <u>\$245,000</u>

(cumulatively not to exceed)