



# City Council Report

**Date:** January 27, 2025  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Kristy Garcia, Procurement Administrator  
**Subject:** Dollar Limit Increase to the Term Contract for Tire Maintenance and Repair Services for the Fleet Services Department (**Citywide**)

## Recommendation

Council is requested to approve the contract amendment as recommended.

The Fleet Services Department and Procurement Services recommend increasing the dollar limit with Border Tire by \$160,000, from \$980,000 to \$1,140,000 annually with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

## Background / Discussion

This contract provides tire maintenance and repair services for all wheeled equipment maintained by Fleet Services. The contractor performs inspections, scheduled maintenance, and repairs on all wheeled equipment at Fleet Services Sixth Street and the East Mesa Facilities. The contractor also provides 24/7 emergency call-out services for all vehicles covered under this contract with a maximum response time of one hour.

The dollar limit increase is necessary due to higher-than-anticipated contract usage. The original contract amount was established based on historical labor hours worked by previous contracted vendors. The current contractor has been able to provide adequate staff to cover all shifts, especially during holidays and after-hours, and has a low absence rate throughout the rest of the year. This has resulted in higher-than-expected contract usage, leaving insufficient funding to cover the final month of the contract. This contract provides crucial safety services that City departments rely on to keep over two-thousand 2,000 fleet vehicles on the road that provide essential and critical services to citizens. Inability to use this contract due to lack of funds would negatively impact vehicle availability. Over five-hundred (500) tire-related repair orders are completed under this contract per month, in addition to daily safety checks. This increased need is still within the approved Fleet Services budget.

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## Purchase Information

Action: Amendment

Procurement Type: Request for Proposals

Contract Number: 2022092

Initial Contract Term: Three (3) years

Possible Renewals: Up to a maximum of one (1) year subject to Administrative review and approval

Funding Source: Fleet Services Department operating budget through the Fleet Internal Services Fund

### Dollar Limit History

Original Award Amount - (2/28/2022):	\$980,000.00
This Increase Request:	<u>\$160,000.00</u>
New Annual Contract Amount (Years 3-5):	\$1,140,000.00