


2.13 Actions Related to the Purchase Orders with MT Tire Service LLC and Southern Tire Mart LLC for On-Site Tire Service and 24/7 Emergency Road Service.

Recommendation:

Adopt a resolution authorizing the City Manager or her designee to exercise up to six one-year options to extend the term of the purchase orders with MT Tire Service LLC (San José, CA), and Southern Tire Mart LLC (San José, CA) for on-site tire service and 24/7 emergency road service, with the last option ending on or about February 6, 2031, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment. (Finance)

CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment	Coordination: City Attorney's Office; City Manager's Budget Office; and Public Works Department	Dept. Approval: /s/ Rick Bruneau
Council District(s): Citywide			CMO Approval:  5/6/24

SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDERS WITH MT TIRE SERVICE LLC AND SOUTHERN TIRE MART LLC FOR ON-SITE TIRE SERVICE AND 24/7 EMERGENCY ROAD SERVICE

RECOMMENDATION:

Adopt a resolution authorizing the City Manager or her designee to exercise up to six one-year options to extend the term of the purchase orders with MT Tire Service LLC (San José, CA), and Southern Tire Mart LLC (San José, CA) for on-site tire service and 24/7 emergency road service, with the last option ending on or about February 6, 2031, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION:

The Fleet Management Division, Public Works Department (Fleet) is responsible for the fueling, preventive maintenance, repair, acquisition, and disposal of vehicles and equipment Citywide. Fleet requires tire services at City service yards along with emergency roadside services for City vehicles. Outside providers are needed for these services to minimize operational impacts and mitigate equipment downtime. Fleet strategically coordinates these services with providers to effectively utilize limited staffing resources and to allow Fleet staff to prioritize critical maintenance and repairs of City equipment.

In September 2023, a Request for Bids was released by the Finance Department to procure these services. The Request for Bids provisioned for a one-year initial term and an additional six one-year options for the City to extend the term. Three responsive bids were submitted, and no protests were received. One bidder, Tire Outlet Auto Service, requested and qualified for the City's local and small business preferences. The preferences were not a determining factor in the bid award. Staff awarded to MT Tire Service LLC and Southern Tire Mart LLC pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310.B(2). The option period for February 7, 2025 to February 6, 2026 is projected to cost \$600,000 between the two purchase orders, and future options will be subject to appropriation. Approval of this recommendation will ensure the City continues to receive these essential services with minimal impact to operations.

Commission Recommendation/Input: There is no commission recommendation or input associated with this action.

COST AND FUNDING SOURCE:

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Recommendation	2023-2024 Adopted Operating Budget Pg.	Last Budget Action (Date, Ord. No)
552	0083	Inventory Purchases	\$10,598,000	\$600,000	1066	06/20/2023, 30933

FOR QUESTIONS CONTACT: Albie Udom, Deputy Director of Finance – Purchasing & Risk Management, at Albie.Udom@sanjoseca.gov.