Legislation Text

File #: 19-121, **Version:** 1

TO: **Mayor and Commissioners**
FROM: **Susan Goebel-Canning, Public Works Director**
THROUGH: **Mark R. Lauzier, City Manager**
DATE: **February 12, 2019**

APPROVAL OF RESOLUTION NO. 35-19 TO AWARD AN AGREEMENT WITH THE GOODYEAR TIRE & RUBBER COMPANY FOR TIRES AND RELATED EQUIPMENT, SUPPLIES, AND SERVICES UTILIZING SOURCEWELL CONTRACT NO. 102517-GTC - $510,000

Recommended Action:

Motion to approve Resolution No. 35-19 to award an agreement with The Goodyear Tire & Rubber Company for tires and related equipment, supplies, and services utilizing Sourcewell Contract No. 102517-GTC for an estimated cost of $510,000 through November 27, 2021 and authorize the City Manager to approve the renewal option in an estimated cost of $180,000, contingent upon appropriation of funds.

Background:

On November 27, 2017, Sourcewell (formerly the National Joint Powers Alliance, or NJPA) entered into Contract No. 102517-GTC, a four-year agreement with The Goodyear Tire & Rubber Company ("Goodyear") for tires and related equipment, supplies, and services ("Sourcewell Contract") pursuant to RFP No. 102517. The Sourcewell Contract is valid through November 27, 2021, with the option to renew for up to one additional year. Should the Sourcewell Contract be renewed, the City of Delray Beach (City) City's Agreement will automatically renew, unless otherwise terminated.

The City has an ongoing need to purchase items offered through the Sourcewell Contract to maintain the operation and safety of City vehicles. Using the Sourcewell Contract, the City will be able to purchase tires and related services for all its vehicles, including but not limited to, Police cars, Fire-Rescue apparatuses (fire trucks) and ambulances, and Building Inspector trucks.

As the City evolves and grows, the need for additional vehicles and thus additional tires grows alike. The approximate spend on items offered through the Sourcewell Contract per calendar year was $130,000 in 2016, $130,000 in 2017, and $165,000 in 2018. Anticipating future needs, staff estimates $180,000 annually will be spent on these items. Therefore, the total Agreement value, including the renewal period, is $690,000.

Year 1: 10 months (Feb 2019 through Nov 2019) - $150,000
Year 2: 12 months (Nov 2019 through Nov 2020) - $180,000
Year 3: 12 months (Nov 2020 through Nov 2021) - $180,000
Year 4 (Renewal Year 1): 12 months (Nov 2021 through Nov 2022) - $180,000
TOTAL: - $690,000

The Sourcewell Contract is awarded to Goodyear, but agencies utilizing the contract place orders with dealers within Goodyear's authorized dealer network and pay them directly, rather than Goodyear. Therefore, the City's method of agreement will be via purchase orders. The City plans to utilize local vendors from the list, such as Martino Tire Commercial Center in West Palm Beach and Tiresoles of Broward in Lake Worth.

This motion is in accordance with the Code of Ordinances Chapter 36, Commission Approval Required and Purchasing Policies, Accessing Contracts from Other Government Agencies and Not-for-Profit Organizations.

Attachments:

1. Resolution No. 35-19
2. Legal Review Checklist
3. RFP No. 102517
4. Goodyear's Response to RFP No. 102517
5. RFP No. 102517 Award Letter

City Attorney Review:

Approved as to form and legal sufficiency.

Finance Department Review:

N/A

Funding Source:

Funding is available from 501-43-000-549.52-52 - Operating Supplies External Parts.