


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Not a Project, File No. PP17-003,	<b>Coordination:</b> City Attorney's Office; City Manager's Budget Office; Public Works Department	<b>Dept. Approval:</b> /s/ Maria Öberg
<b>Council District(s):</b> Citywide	Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.		<b>CMO Approval:</b>  1/15/25

**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 amend purchase orders OP 64643 with MT Tire Service LLC (San José, CA), and OP 64644 with Southern Tire Mart LLC (San José, CA) for on-site tire service and 24/7 emergency road service to increase the total compensation by \$500,000 for a maximum compensation not-to-exceed \$1,100,000 for the period ending February 6, 2025, subject to the appropriation of funds.

**BASIS FOR RECOMMENDATION**

The Fleet Management Division, Department of Public Works (Fleet) is responsible for tire services for equipment and vehicles citywide. Fleet utilizes outside service providers to provide tire mounting, balancing, and related services for various City equipment and vehicle assets. Utilizing these outside service providers allows the City to minimize department operational impacts and mitigates equipment downtime. Fleet strategically coordinates services to utilize limited staffing resources effectively and avoid delays in service delivery. These services are essential for safety and to preserve City Fleet assets including police vehicles, electric buses, and fire apparatuses.

In September 2023, a Request for Bids was facilitated 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 price-determinative 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) under the City Manager's authority. Fleet now requires additional funding to ensure continuity of services. Approval of this recommendation will ensure the City continues to receive these essential services with minimal impact to operations.

**COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input associated with this action.

**COST AND FUNDING SOURCE**

The recommended amendment relating to this purchase order of \$1,100,000 is funded by the Inventory Purchases appropriation in the Vehicle Maintenance and Operations Fund.

**FOR QUESTIONS CONTACT:** Albie Udom, Deputy Director of Finance - Purchasing and Risk Management, at [Albie.Udom@sanjoseca.gov](mailto:Albie.Udom@sanjoseca.gov).