



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 20-0005 **Version:** 1 **Name:**

Type: Contract **Status:** Passed

In control: Financial Services

On agenda: 1/15/2020 **Final action:** 1/15/2020

Title: The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve three-year contracts for vehicle tires with Shrader Tire & Oil (#6002631) in the amount of \$99,417.20 and Jefferson Chevrolet dba Trader Ray Tire (#6002632) in the amount of \$209,129.63, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Board of Water Commissioners, Finance Committee

Code sections:

Attachments: 1. Tires Bid Tab

Date	Ver.	Action By	Action	Result
1/15/2020	1	Board of Water Commissioners	approved	Pass
1/7/2020	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **three-year contracts for vehicle tires with Shrader Tire & Oil (#6002631) in the amount of \$99,417.20 and Jefferson Chevrolet dba Trader Ray Tire (#6002632) in the amount of \$209,129.63**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of January 15, 2020

Item No.: 20-0005

Contract Term: 2/1/2020 - 1/31/2023 (3 years)

Contract No: 6002631

Contractor: Shrader Tire & Oil

Address: 2045 Sylvania Ave., Toledo, OH 43613

Contract Total Amount: \$99,417.20

Contract No: 6002632

Contractor: Jefferson Chevrolet dba Trader Ray Tire

Address: 2130 E. Jefferson Ave., Detroit, MI 48207

Contract Total Amount: \$209,129.63

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director

Water and Sewerage Department

**RE: Proposed DWSD Contracts 6002631 & 6002632
Various Vehicle Tires**

MOTION

Upon recommendation of Mamata Burgi, Procurement Manager, the Board of Water Commissioners for the City of Detroit, Water and Sewerage Department authorizes the Director to approve **three-year contracts for vehicle tires with Shrader Tire & Oil (#6002631) in the amount of \$99,417.20 and Jefferson Chevrolet dba Trader Ray Tire (#6002632) in the amount of \$209,129.63**, and also authorizes the Director to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND / JUSTIFICATION

The DWSD Auto Store-room is responsible for stocking tires for various Fleet vehicles that are serviced under a tire maintenance and replacement plan. This helps the Fleet division save time and money, while decreasing downtime and increasing productivity. The Fleet Division is equipped to perform the replacement of tires in-house.

Tire performance is affected by uneven wear, damage to the sidewall, separations in the tire, unnecessary stress on the tire from rapid stops, sharp turns, excessive speed, heavy loads, jobsite conditions and tire pressure variations. This contract will allow for the as-needed replacement of tires for DWSD's fleet vehicles.

PROCUREMENT METHOD

The contracts were procured through a Request for Bids (RFB) and advertised on the Michigan Inter-Governmental Trade Network (MITN) for 14 calendar days. MITN published this opportunity to 37 companies subscribing to the relevant NIGP code(s) and 12 vendors downloaded the bid package.

The RFB requested pricing for 39 different types of automotive tires and was evaluated based on lowest price. Estimated quantities of the automotive tires were based on historical demand and forecasted use over three years. Award was based on lowest bid price for each line item after application of equalization credits.

Three bids were received from the following bidders. See attached spreadsheet for the price breakdown and awarded lines, including the application of equalization credits.

Bidders

Jefferson Chevrolet dba Trader Ray Tire
Goodyear Tire & Rubber Co.
Shrader Tire & Oil

Based on the information above, it is recommended contracts be awarded to the lowest equalized responsive and responsible bidders per line item, Shrader Tire & Oil and Jefferson Chevrolet dba Trader Ray Tire (a

certified Detroit Based Business).

SUMMARY - Shrader Tire & Oil

- A. Contract Number: 6002631
- B. Contract Term: 2/1/2020 - 1/31/2023 (3 years)
- C. Contract Amount: \$99,417.20
- D. Projected Fiscal Year (FY) Contract Expenditures:
- | | |
|-----------|-------------|
| FY 19-20: | \$13,807.94 |
| FY 20-21: | \$33,139.07 |
| FY 21-22: | \$33,139.07 |
| FY 22-23: | \$19,331.12 |
- E. Funding Source: O&M Funds

SUMMARY - Jefferson Chevrolet dba Trader Ray Tire

- A. Contract Number: 6002632
- B. Contract Term: 2/1/2020 - 1/31/2023 (3 years)
- C. Contract Amount: \$209,129.63
- D. Projected Fiscal Year (FY) Contract Expenditures:
- | | |
|-----------|-------------|
| FY 19-20: | \$29,045.78 |
| FY 20-21: | \$69,709.88 |
| FY 21-22: | \$69,709.88 |
| FY 22-23: | \$40,664.09 |
- E. Funding Source: O&M Funds

The proposed contracts were presented to the DWSD Finance Committee on January 7, 2020. Per the DWSD Procurement Policy, Post FRC Mayoral review will also be obtained.