CITY OF EL PASO, TEXAS
REQUEST FOR COUNCIL ACTION (RCA)

DEPARTMENT: General Services Department

AGENDA DATE: ~~TBD by Financial Services~~ 6/27/06 - JMJ

CONTACT PERSON/PHONE: Jeff Belles, 621-6821

DISTRICT (S) AFFECTED: All

SUBJECT:
APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include $ amount if applicable.

Exercise the option to extend contract 2004-196 for recapping of tires with RB Wicker Tire Co. Option is to extend the contract for two additional years. Estimated expenditures are $200,000 per year.

BACKGROUND / DISCUSSION:
Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

RB Wicker has provided excellent service. They offered a two-year extension at the same price.

PRIOR COUNCIL ACTION:
Has the Council previously considered this item or a closely related one?

Yes.

AMOUNT AND SOURCE OF FUNDING:
How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

45202-37370510, 503121, General Services Department, Fleet Services Fund

**********REQUIRED AUTHORIZATION**********

DEPARTMENT HEAD: Jeffrey A Belles, June 13 2006 Jeffrey A Belles

(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____

DATE: June 13, 2006

TO: Municipal Clerk

FROM: Terrence Freiburg
Purchasing Manager, ext. 4308

THRU: Aurora Wells
Bid Clerk ext. 4038

Please place the following item on the **CONSENT** agenda for the Council Meeting of **JUNE 27, 2006**.

Item should read as follows:

Request that the Purchasing Manager be authorized to exercise the City's option to extend the term of the agreement for two (2) additional years, from July 20, 2007 to July 20, 2009 pursuant to the provisions of Contract 2004-196-C2 with R.B. Wicker Tire & Rubber Co, El Paso, Texas for Tires & Roadside Service.

Option No.:	ONE [OF ONE]
Amount of Award:	$400,000.00 (total estimated for two year extension)
Account No's:	37370510-503121-45202
Funding Source:	General Services-Fleet Division Internal Service Fund
Department:	General Services-Fleet Division

Contact person: Jesus M. Juarez, Procurement Analyst at 541-4317.

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AGENDA FOR: **JUNE 27, 2006**

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DATE: June 12, 2006

TO: Municipal Clerk

FROM: Terrence Freiburg / Jesus M. Juarez
Purchasing Manager (915) 541-4308/4317

Please place the following item on the next CONSENT City Council Agenda.

Item should read as follows:

Request that the Purchasing Manager be authorized to exercise the City's option to extend the term of the agreement for two (2) additional years, from July 20, 2007 to July 20, 2009 pursuant to the provisions of Contract 2004-196-C2 with R.B. Wicker Tire & Rubber Co , El Paso Texas for Tires & Roadside Service.

OPTION NO.: ONE [OF ONE]

AMOUNT OF AWARD: $400,000.00 (total estimated for two year extension)

ACCOUNT NOS: 37370510-503121-45202

FUNDING SOURCE: General Services-Fleet Division Internal Service Fund

DEPARTMENT: General Services-Fleet Division

- City Clerk's Use -

ITEM NO._____

City of El Paso
FINANCIAL SERVICES
PURCHASING DIVISION

Date: JUNE 6, 2006

R.B. Wicker Tire & Rubber Co
Mr. Tom Wicker
701 W. Paisano
El Paso, TX 79901

Ref.: Contract Title –Tires & Roadside Service, Contract #2004-196

Mr. Wicker:

The City of El Paso wishes to accept your offer to extend the period of Contract # 2004-196 for a period of two (2) years from July 20, 2007 to July 20, 2009 as per your offer on the referenced requirement.

It is important that we receive your faxed response no later than **Friday, June 9, 2006**. If agreeable to you, please sign below and fax it to us at (915) 541-4347

We would also appreciate your returning an original signed copy of this letter to us at City of El Paso, Purchasing Department, Two Civic Center Plaza, El Paso, Texas 79901-1196.

Thank you for your understanding and cooperation.

Sincerely,
THE CITY OF EL PASO

Jesus M. Juarez
Procurement Analyst
915-541-4317
juarezjm@ci.el-paso.tx.us

We hereby extend the validity of our offer in response to Solicitation #2004-196 to Date: July 20, 2009 for acceptance purposes.

Acknowledge: RB WICKER TIRE + Rubber Co — Company Name
6/6/06 — Date

By: TOM G. WICKER — Print Name of Authorized Person
PRESIDENT — Title

Signature

MOTION
JULY 20, 2004

Motion made by Representative Power, seconded by Representative Cobos and carried to approve Bid No.: 2004-196 Tires & Roadside Service

AYES:	Representatives Austin, Cushing, Cook, Power, Escobar and Cobos
NAYS:	Representative Lozano
NOT PRESENT:	Representative Rojas

Award to:	Vendor 1	Redburn Tire Co. Sunland Park, NM	
Item (s):		Part I (new tires)	Group A, #1 & #2, Group B, #1 & #2, Group C, #1 & #2
Amount:		$160,000.00 (estimated annually)	

Award to:	Vendor 2	R.B. Wicker Tire & Rubber Co. El Paso, Texas
Item (s):		Part II (recap/retread tires) All items
Amount:		$300,000.00 (estimated annually)

Department:	Fleet Service
Funds available:	37370510-503121-45202
Funding source:	Fleet Service Internal Service Fund
Total award:	$1,380,000.00
District (s):	**All**

The Fleet Service and Purchasing Departments recommend award as indicated to the lowest responsive offer meeting specifications, from responsible parties.

Vendor #1 & #2 offer the City the option to extend the term of the contract at the same unit prices for two (2) additional years if the option is exercised within two Years from the date of the award.

This is a Requirements Type Contract with an initial term of Thirty-Six (36) months.

Richarda Duffy Momsen, City Clerk

21D

OPTION TO EXTEND THE TERM OF THE AGREEMENT - PLEASE CHECK APPROPRIATE BOX
*NOTE: *NOT AN AWARD FACTOR*

The City at its sole discretion, may exercise any option to extend the term of the agreement, by giving the Contractor written notice within the time period noted on the selected options.

Bidder offers the City the option of extending the term of the contract for:

☐ **One** additional year at the same unit prices, if the option is exercised within:.
☒ **Two** additional years at the same unit prices, if the option is exercised within:

A. One year from date of award of the contract. YES ☐ NO ☐

B. Two years from date of award of the contract. YES ☒ NO ☐

C. **NO OPTION OFFERED** ☐

PROMPT PAYMENT:

Unless a prompt payment discount is offered and accepted by the City of El Paso, payments will be made to the Contractor within thirty (30) days following acceptance of goods or services, or receipt of a properly prepared invoice by the City Department identified in the Invoice Instructions set forth on the Purchase Order, whichever is later. Any discount for prompt payment will be calculated from the day goods or services are accepted or when a properly prepared invoice is received. Payments will be considered to have been made on the date of mailing (postmark) of the payment check or, for an electronic funds transfer, the specified payment date. Invoices to be submitted in single copy.

PAYMENT TERMS : Please mark appropriate block.

_____% - 10 Days ☐
_____% - 20 Days ☐
_____% - 30 Days ☐
Net - 30 Days ☒

LATE PAYMENTS:

Late Payment fees will incur at the State of Texas statutory rate.

BIDDER'S (COMPANY) NAME Lockler Tire Co.