



Legislation Details (With Text)

File #: 19-0995 **Version:** 1 **Name:** 6/17/19 Amend Shrader Tire & Oil Purchase Order
Type: Resolution **Status:** Passed
File created: 6/17/2019 **In control:** City Council
On agenda: 6/17/2019 **Final action:** 6/17/2019
Enactment date: 6/17/2019 **Enactment #:** R-19-286

Title: Resolution to Approve an Increase to the Purchase Order with Shrader Tire & Oil for the Purchase of Heavy Equipment/Truck Tires and Tire Repair Services (Not to Exceed \$15,000.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Res #18-126.pdf

Date	Ver.	Action By	Action	Result
6/17/2019	1	City Council	Approved	Pass

Resolution to Approve an Increase to the Purchase Order with Shrader Tire & Oil for the Purchase of Heavy Equipment/Truck Tires and Tire Repair Services (Not to Exceed \$15,000.00)

We recommend your approval of the attached resolution authorizing an increase of \$15,000.00 to the existing \$125,000.00 purchase order with Shrader Tire & Oil-for a total amount not to exceed \$140,000.00-to purchase heavy equipment/truck tires and tire repair services for the City’s Fleet for FY19.

Until April 2018, Recycle Ann Arbor (RAA) purchased or repaired tires for City refuse trucks that RAA operated. Staff became aware that RAA’s purchases were subject to the Federal Excise Tax, adding unnecessary costs to tire purchases (the City is exempt).

In April 2018, City Council approved R-18-126, which authorized the issuance of a purchase order for tire purchases and repairs from Shrader Tire & Oil under a State of Michigan MiDeal cooperative purchasing contract. This change has will require an additional \$15,000.00 in authorized purchasing authority to cover anticipated expenses for the remainder of the fiscal year.

Shrader Tire & Oil complies with the requirements of the City’s Conflict of Interest and Non-Discrimination ordinances.

Budget Impact: Adequate funding for the purchase of replacement parts is available in the approved FY19 Fleet Services Operations and Maintenance Budget.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Unit Manager

Reviewed by: John Fournier, Assistant City Administrator

Approved by: Howard S. Lazarus, City Administrator

Whereas, The Fleet & Facilities Unit purchases heavy equipment/truck tires and tire repair services to maintain the City’s fleet of equipment and vehicles;

Whereas, In April 2018, City Council approved R-18-126 and authorized the issuance of a purchase

order in the amount not to exceed \$125,000.00 for the purchase and repair of heavy equipment/truck tires from Shrader Tire & Oil for FY19;

Whereas, Tire purchases and repairs on City owned vehicles have depleted the original \$125,000.00 purchase order;

Whereas, An additional amount of \$15,000.00 is needed for tire purchases and repairs for the remainder of FY19;

Whereas, Shrader Tire & Oil complies with the City's Conflict of Interest and Non-Discrimination ordinances; and

Whereas, Adequate funds for the purchase of tires and tire repair services are available in the approved FY19 Fleet Services Operations and Maintenance Budget;

RESOLVED, That City Council approve an increase to the purchase order to Shrader Tire & Oil, in the amount of \$15,000.00 for a total amount not-to-exceed of \$140,000.00, for the purchase and repair of heavy equipment/truck tires for FY19; and

RESOLVED, That the City Administrator be authorized to take all necessary actions to implement this resolution.