

EXECUTIVE SUMMARY

Bid Recommendation of \$500,000 or Greater 15-062R – New Tires

The School Board of Broward County, Florida, is establishing a manufacturer-direct contract for the purchase of tires from various vendors (Bridgestone/Firestone, Goodyear, Michelin, and Continental). This direct from manufacturer bid, at a savings of approximately 12 percent, is in place of a piggyback bid from Florida Department of Management Services for the last five years.

The Student Transportation & Fleet Services Department (STFS) consists of over 1,300 school buses, 850 trucks, and several miscellaneous off-road equipment vehicles. Nearly 1,600 of these vehicles require six tires each.

Over the last three years, the District has purchased \$2,771,000 in new and recapped tires. The projected cost for using this new bid is estimated at \$2,589,600 for the next three-year period. This shows an annual savings of approximately \$60,500 and an approximate savings of \$181,500 over the three-year period.

<u>Average 3 Year History</u>	<u>Next Projected 3 Years (New Tires Only)</u>
\$600,000 Annual New Tires	\$600,000 Annual New Tires
* <u>\$323,700 Annual Recaps</u>	* <u>\$263,200 Annual New Tires</u>
\$923,700 ANNUAL TOTAL	\$863,200 ANNUAL TOTAL
<u>\$2,771,100 3-Year Total</u>	<u>\$2,589,600 3-Year Total</u>
\$ 60,500 Annual Savings	
\$181,500 3-Year Savings	

*** Reduction in overall expenditures by replacing recaps and transitioning to new tires with a much longer life-cycle ratio and higher reliability.**