

BOARD OF DIRECTORS

ACTION ITEM

Item Number: BA2021-42

Meeting Date: March 22, 2021

Item Title: Transit Bus Tire Lease

BACKGROUND

Trinity Metro leases tires used for all of its buses and vans. Leasing is more economical than purchasing, since tire costs are based on a flat rate per mile driven, plus the costs of inspection, repair, replacement and inventory control. The program includes tire inventory, including spare stock on a replacement basis, on-site service technician who performs full service inspections, tire repair, replacement and record-keeping. Tires are individually branded before delivery for inventory control purposes. Tire rates are fixed and Trinity Metro only pays for the miles the tire actually travels. Staff has determined that leasing is advantageous and cost-effective when outsourced. As a standard industry practice, Trinity Metro has effectively used this program to control costs and provide quality service for bus and van tire replacements. A five-year contract allows Trinity Metro and the successful vendor to ensure availability of tires, efficiency in cost, and quality service is consistent to meet daily transit requirements and needs.

PROCUREMENT

In accordance with Trinity Metro's Procurement Policy, Request for Proposal (RFP 21-T007) for Transit Bus Tires was advertised locally and on Trinity Metro's website.

Three (3) firms responded to the solicitation and complied with the RFP package. The RFP is based on a 3-year contract, with two (2) one-year renewal options. Procurement received three proposals from the following firms: The Goodyear Tire & Rubber Company, Bridgestone Americas Tire Operations, LLC, and Laksh Corporation. An evaluation committee from Trinity Metro reviewed proposal documents and evaluated based on criteria that included: Qualifications of proposer, ability to meet technical specifications, proposed operational plan of leased tires, DBE Utilization and Cost. The proposal evaluation committee rated The Goodyear Tire & Rubber Company as the firm with the highest points awarded.

FINANCING

Funds are available in Trinity Metro's FY2021 Operating Budget to finance this contract. Funds for future years of the contract will be considered in the proposed budgets for those years.

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DBE

The Goodyear Tire & Rubber Company meets the criteria for Good Faith Effort for the DBE participation of this solicitation.

RECOMMENDATION

The Planning, Operations & Marketing Committee recommends the Trinity Metro Board of Directors authorize the President/Chief Executive Officer to execute a three-year contract with The Goodyear Tire & Rubber Company for Transit Bus Tire Services in the annual amount of \$417,746.77 plus a 10% (\$41,774.68) contingency for unforeseen expenses, totaling \$459,521.45 for the first year of the contract. The total 5-year combined estimated cost, including contingency, is not-to-exceed \$2,272,026.21.

Disposition by Board of Directors

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Secretary Approval:

Mar-23-2021

DATE