



**September 9, 2019**

**To:** Members of the Board of Directors  
**From:** Darrell E. Johnson, Chief Executive Officer  
**Subject:** Approval to Release Invitation for Bids for Lease and Full Service of Bus Tires

### **Overview**

The Orange County Transportation Authority uses a contractor for tire leasing and tire service at all operating bases, including contractor-operated bases for all revenue vehicles. The current agreement for these services will expire on April 30, 2020. Staff is requesting the Board of Directors' approval to release an invitation for bids for lease and full service of bus tires for a five-year term.

### **Recommendation**

Approve the release of Invitation for Bids 9-1354 for the lease and full-service of bus tires.

### **Discussion**

The Orange County Transportation Authority (OCTA) contracts for tire leasing and tire service at all operating bases for revenue vehicles. The contractor provides service staff to mount and dismount the tires, balance the wheels, keep tires inflated to the recommended pressure, and perform tire repairs in order to keep them in proper operating condition. OCTA pays a fixed-cost rate for service staff and a fixed-cost rate for tire leasing based on miles used. Additionally, OCTA pays for the remaining useful life of the tires when buses are retired and sold.

The leasing of tires and the provision of tire service by a contractor is a common industry practice and OCTA has engaged in these services for its revenue vehicles since 1973. This has proven to be cost-effective in terms of utilizing material and labor resources only as needed. The contractor will provide service staff and tire service at all five operating bases for all OCTA-owned revenue vehicles, which currently consists of approximately 520 fixed-route buses and 248 paratransit buses.

The current agreement for these services will expire on April 30, 2020. Authorization is requested to release an invitation for bids (IFB) to begin the process to select a contractor to continue to provide these services in support of bus operations.

***Procurement Approach***

OCTA's procurement policies and procedures require that the OCTA Board of Directors (Board) approve all IFB over \$1,000,000. This procurement will be handled in accordance with procedures for materials and equipment. These procedures are used when minimum requirements can be specified; therefore, the lowest price is the only criterion for choosing among the bidders who are responsive and responsible after a sealed bidding process.

The IFB will be released upon Board approval of the recommendation.

**Fiscal Impact**

The project was approved in the OCTA Fiscal Year 2019-20 Budget, Operations Division, Maintenance Department, various accounts, and is funded through the Local Transportation Fund.

***Summary***

The existing contract for lease and full service of bus tires will expire on April 30, 2020. Board approval is requested to release IFB 9-1354 for lease and full service of bus tires.

***Attachment***

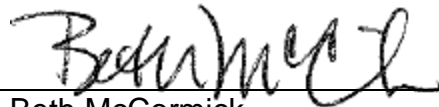
- A. Draft Invitation for Bids (IFB) 9-1354, Lease and Full Service of Bus Tires

**Prepared by:**



Cliff Thorne  
Director, Maintenance and Motorist  
Services  
714-560-5975

**Approved by:**



Beth McCormick  
General Manager, Operations  
714-560-5964



Virginia Abadessa  
Director, Contracts Administration and  
Materials Management  
714-560-5623



Jennifer L. Bergener  
Chief Operating Officer, Operations  
714-560-5462