




November 25, 2024

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 bus bases, including contractor-operated bases for all revenue vehicles. The current agreement for these services will expire on April 30, 2025. Staff is requesting 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 4-2552, 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 bus bases for revenue vehicles. The contractor provides service personnel to mount and dismount the tires, balance the wheels, keep tires inflated to the recommended pressure, and perform tire repairs 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 personnel and tire service at all five operating bus bases for all OCTA-owned revenue vehicles, which currently consists of approximately 428 fixed-route buses and 247 paratransit buses.

The current agreement for these services will expire on April 30, 2025. The purpose of this invitation for bids (IFB) is to secure a contractor to provide full service of bus tires for OCTA's revenue vehicles.

Procurement Approach

OCTA's procurement policies and procedures require the Board of Directors (Board) to approve all IFBs over \$1,000,000. Staff is requesting approval from the Board to release IFB 4-2552 for the lease and full service of bus tires (Attachment A).

The IFB will be released upon Board approval. The budget for this effort is \$12,260,455 for a five-year term. The award will be made to the lowest responsive, responsible bidder in accordance with state law.

Fiscal Impact

This project was approved in the OCTA Fiscal Year 2024-25 Budget, Operations Division, Maintenance Department, various accounts, and is funded through the Local Transportation Fund.

Summary

Board of Directors' approval is requested to release Invitation for Bids 4-2552, for the lease and full service of bus tires.

Attachment

- A. Draft Invitation for Bids (IFB) 4-2552, Lease and Full Service of Bus Tires

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