

To: Board of Directors

Date: October 6, 2020

From: J. Scott Mitchell
Chief Operating Officer

Reviewed by: 

SUBJECT: Leased Tires and Related Services Contract

BACKGROUND:

Central Contra Costa Transit Authority leases the tires on the revenue vehicles. Every five (5) years, the maximum term allowed by the Federal Transit Administration, County Connection goes to bid for a renewal contract.

SUMMARY OF ISSUES:

An Invitation for Bids (IFB) was issued on August 26, 2020, to seek a new contract for this service. On the bid opening date of September 24, 2020, one bid was received; that bid was from Goodyear.

County Connection is in need of a contract for the continued supply of tires for the revenue buses. The advantage to having a tire company under contract for the supply of tires provides County Connection with a guarantee of tires in the event of a materials shortage for the production of bus tires. Although County Connection received a single bid, the cost analysis did show that the Goodyear bid was fair and equitable.

Staff is recommending that the Committee proceed with approving the submitted bid and requesting the Board of Directors to authorize the General Manager to enter into a contract with Goodyear for a five (5) year contract for Leased Tires and Related Services.

OPTION 1:

The O&S Committee recommend that the County Connection Board of Directors award a contract to The Goodyear Tire & Rubber Company for Leased Tires and Related Services.

OPTION 2:

The O&S Committee direct staff to re-advertise the procurement.

FINANCIAL IMPLICATIONS: Tires: The IFB response by Goodyear contains fixed rates for each of the five years of the contract period. The rates for tires for the first year of the contract are as follows:

Tires on the 35' and 40' coaches: .0005000/mile

Tires on the 29' coaches: .006000/mile

Tires on the electric trolleys: .012000/mile

The first year annual financial implication for tires will be a decrease of \$58,486.72 - a decrease of 36%.

Service: The rate for Service for the first year of the new contract is \$7,800/month.

The first year annual financial implication for Service will be an increase of \$1,080.00 - an increase of 1.17%.

After the first year, the bid submitted by Goodyear lists the following percentage increases:

Second Year 0% for Tires and 1.17% for Service
Third Year 0% for Tires and 3% for Service
Fourth Year 3% for Tires and 3% for Service
Fifth Year 3% for Tires and 3% for Service

RECOMMENDATIONS: The O&S Committee recommend that the Board of Directors at its October 15, 2020, meeting, adopt Resolution No. 2021-011 authorizing the General Manager to award a five (5) year contract to The Goodyear Tire & Rubber Company at the guaranteed rates specified in their bid of September 23, 2020.

ACTION REQUESTED: The O&S Committee recommend that the Board of Directors at its October 15, 2020, meeting, adopt Resolution No. 2021-011 authorizing the General Manager to enter into a contract with The Goodyear Tire & Rubber Company for a five (5) year period at the guaranteed rates specified in their bid for Leased Tires and Related Services.

RESOLUTION NO. 2021-011

**BOARD OF DIRECTORS CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

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**AUTHORIZING AWARD OF CONTRACT TO THE GOODYEAR TIRE AND RUBBER
COMPANY FOR LEASED TIRES AND RELATED SERVICES**

WHEREAS, the County of Contra Costa and Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code section 6500 et seq., for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions;

WHEREAS, on August 26, 2020, the CCCTA issued an Invitation for Bids for Leased Tires and Related Services for a term of five years;

WHEREAS, one (1) bid was received from the Goodyear Tire and Rubber Company (Goodyear);

WHEREAS, staff and Legal Counsel reviewed the bid and determined that it was responsible and responsive to the specifications;

WHEREAS, staff conducted a price analysis and determined that Goodyear's bid price was fair and reasonable; and

WHEREAS, the Operating and Scheduling Committee concurs with the staff recommendation to award the contract for Leased Tires and Related Services to the Goodyear Tire and Rubber Company for an estimated amount of \$1,166,000 for a five-year term, which amount shall be based on the rates specified in Goodyear's bid and the CCCTA's needs during the contract term.

NOW, THEREFORE, BE IT RESOLVED that the Central Contra Costa Transit Authority Board of Directors hereby awards a contract to the Goodyear Tire and Rubber Company for Leased Tires and Related Services for an estimated amount of \$1,166,000 for a term of five (5) years, beginning November 1, 2020; and

BE IT FURTHER RESOLVED that the General Manager is authorized to execute a contract on behalf of CCCTA with the Goodyear Tire and Rubber Company, in full conformity with all of the terms and conditions in the Invitation for Bids and in a form approved by Legal Counsel.

Regularly passed and adopted this 15th day of October 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Keith Haydon, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board