ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 5/13/2020 **Staff Report No.** 20-203

TO: AC Transit Board of Directors

FROM: Michael A. Hursh, General Manager SUBJECT: Tire Mileage and Leasing Contract

ACTION ITEM

RECOMMENDED ACTION(S):

Consider authorizing the release of an Invitation For Bid (IFB) for tire mileage and leasing services contract for District vehicles.

STRATEGIC IMPORTANCE:

Goal - Convenient and Reliable Service Initiative - Service Quality

Having a contract for tire and mileage leasing services will help provide safe and reliable passenger service.

BUDGETARY/FISCAL IMPACT:

The total anticipated cost for this contract will be identified in future maintenance department operating budgets.

BACKGROUND/RATIONALE:

The District does not have equipment or personnel to install and maintain tires for revenue buses at the District. The industry standard for maintenance of tires is to establish a leasing contract because of liability associated with tire failures.

The current tire mileage and leasing services contract (2016-1350) will expire on December 31, 2020. The contract supports the District by furnishing tires, equipment, and personnel for the installation, removal, and maintenance of tires for buses.

Staff intends to release the tire mileage leasing Invitation For Bid (IFB) for a five-year period. The contractor will be required to provide all equipment and personnel to support and maintain tires on all District revenue buses.

ADVANTAGES/DISADVANTAGES:

In addition to the liability risks, another advantage of a tire mileage and leasing contract is that the selected

contractor will stock the specific tires and insure the proper equipment, personnel, and related training and experienced staff are available to service and maintain the various types of tires used on District buses. There are no known disadvantages to having a tire mileage and leasing contract.

ALTERNATIVES ANALYSIS:

The alternative would be in-house maintenance of the tires; however, this is not recommended due to the liability from tire failures.

PRIOR RELEVANT BOARD ACTION/POLICIES:

15-113a Tire Mileage and Leasing Contract

ATTACHMENTS:

None

Prepared by:

Stuart Hoffman, Technical Services Manager

Approved/Reviewed by:

Salvador Llamas, Chief Operating Officer
Jill A. Sprague, General Counsel
Cecil Blandon, Director of Maintenance
Gene Clark, Director of Procurement and Materials
Claudia L. Allen, Chief Financial Officer