



May 17, 2018

To: Fox Cities Transit Commission

From: Ron McDonald, General Manager

Subject: Authorization to award a contract to Goodyear Tire & Rubber Company to lease tires for Valley Transit revenue vehicles.

Background:

Valley Transit is asking for authorization to award a five year contract to Goodyear Tire & Rubber Company to lease tires for Valley Transit revenue vehicles. The current contract with Poms to purchase tires expired at the end of 2017. As required by the Federal Transit Administration, Valley Transit solicited quotes for provision of tire services and was able to obtain an advantageous contract by leasing versus buying tires. Below is a summation of the quotes received:

Annual \$ based on estimated mileage

		Poms	Rays Tires	BridgeStone	Good Year
305/70R22.5-L	2018	No Bid	\$89,480.66	\$38,183.74	\$36,324.89
	2019	No Bid	\$92,250.30	\$39,328.88	\$36,324.89
	2020	No Bid	\$96,085.19	\$40,511.31	\$37,049.26
	2021	No Bid	\$100,079.86	\$41,725.69	\$38,529.95
	2022	No Bid	\$105,352.83	\$42,977.35	\$40,074.55

Annual \$ based on estimated mileage

		Poms	Rays Tires	BridgeStone	Good Year
LT225/75R16-E	2018	No Bid	\$1,494.60	\$777.44	\$636.94
	2019	No Bid	\$1,541.43	\$800.65	\$636.94
	2020	No Bid	\$1,604.56	\$824.68	\$649.56
	2021	No Bid	\$1,671.75	\$849.52	\$675.62
	2022	No Bid	\$1,759.31	\$874.97	\$702.50

Valley Transit's most recent three year annual average cost of purchasing tires is approximately \$53,000. Based on an average annual cost of the Good Year contract, Valley Transit anticipates a 29% savings. Valley Transit has sufficient funds in the 2018 budget for the contract.

Recommendation: Authorize Valley Transit to award the contract for tire leasing services to Goodyear Tire & Rubber Company.