



**LANE TRANSIT DISTRICT
BOARD OF DIRECTORS
FINANCE COMMITTEE MEETING**

Monday, March 11, 2019
4:00 p.m.

LTD Board Room
3500 E. 17th Avenue, Eugene
(Off Glenwood Blvd. in Glenwood)

AGENDA

<u>Time</u>	<u>ITEM</u>	<u>Page</u>
4:00 p.m.	I. CALL TO ORDER	
	II. ROLL CALL	
	<input type="checkbox"/> Emily Secord <input type="checkbox"/> Joshua Skov <input type="checkbox"/> Carl Yeh	
	III. COMMENTS FROM THE CHAIR	
4:05 p.m.	IV. APPROVAL OF MINUTES	2
	Action Needed: Approval	
	<i>Approve minutes from the December 10, 2018 meeting</i>	
4:10 p.m.	V. CONTRACT APPROVAL – CONTRACT # 2019-08 BROWN CONTRACTING [Joe McCormack]	4
4:20 p.m.	VI. CONTRACT APPROVAL – CONTRACT # 2019-05 DELERROK, INC. [Cosette Rees]	7
4:35 p.m.	VII. CONTRACT APPROVAL – CONTRACT # 2019-16 OGLETREE DEEKINS [David Collier]	18
4:50 p.m.	V. CONTRACT APPROVAL – CONTRACT # 2019-03 WYATT'S TIRE COMPANY [Mark Johnson]	21
5:00 p.m.	VI. ADJOURNMENT	

The facility used for this meeting is wheelchair accessible. To request a reasonable accommodation or interpreter, including alternative formats of printed materials, please contact LTD's Administration office no later than 48 hours prior to the meeting at 541-682-5555 (voice) or 7-1-1 (TTY through Oregon Relay).

MINUTES OF FINANCE COMMITTEE MEETING

LANE TRANSIT DISTRICT

Monday, December 10, 2018

Pursuant to notice given to *The Register-Guard* for publication on December 4, 2018, and distributed to persons on the mailing list of the District, the Finance Committee of the Lane Transit District held a meeting on Monday, December 10, 2018, beginning at 4:00 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, Chair
Carl Yeh, (via telephone)
Ed Necker (via telephone)
Mark Johnson
Kristen Denmark
Jeanette Bailor
Dana Shinnars, Minutes Recorder

CALL TO ORDER/ROLL CALL — Mr. Wildish convened the meeting at 4:03 and called the roll.

MOTION APPROVAL OF MEETING MINUTES — Mr. Yeh moved to approve the minutes of the September 10, 2018, Finance Committee meeting as presented. Mr. Necker provided the second.

VOTE The motion passed as follows:
AYES: Wildish, Necker, Yeh (3)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

CONTRACT AMENDMNET – CONTRACT 2018-04 PIVOT ARCHITECTURE — Mr. Hemlock presented the contract amendment to extend LTD's contract with Pivot Architecture which is set to expire in May. The amendment extends to contract for the 2019 season.

Ms. Denmark added that the contract extension requires findings to be presented to the full board, as stated in Oregon Administrative Rules.

Mr. Necker asked if the contract has been awarded and LTD is pursuing further bids. Mr. Wildish clarified that this contract is for architectural services for the McVay bus stop project.

Mr. Yeh asked if LTD currently owes Pivot money. Mr. Hemlock responded that LTD has paid services to date, but would lose money because of having to resolicit for architecture services. Ms. Denmark stated that the first contract was for \$95,000 of professional services and the amendment is for \$11,000. She added that most of the work has been completed. Mr. Hemlock corrected the second amount to be just over \$15,000.

Mr. Yeh asked what effect not renewing the contract would have if LTD decides not to build the bus stops. Ms. Denmark replied that the design work is already complete and LTD would be responsible for paying what is owed under that contract.

Mr. Yeh stated that even if there is a possibility of not building at all, there is no advantage in not renewing the contract. Mr. Hemlock asked for clarification on Mr. Yeh's statement. Mr. Yeh explained that LTD may not rebuild the stations, but even if that is the case it would be prudent to keep Pivot Architecture on.

Mr. Necker asked Mr. Yeh if his questions involves the McVay Corridor. Mr. Necker said that he can't see how LTD would not build the bus stops.

Mr. Wildish asked Ms. Jackson for input.

Ms. Jackson clarified that these are two separate decisions. At today's meeting the Finance Committee has to look at contract and make a recommendation to the board. She said that the Committee can recommend approval of the amendment and request that it be pulled off the consent calendar to discuss the project further

Ms. Denmark recommend pulling off the consent calendar because the Board will need to discuss findings.

MOTION Mr. Yeh moved to accept the amendment to the contract with Pivot Architecture to the Board of Directors with a recommendation of approval. He requested the item be pulled off the consent calendar. Mr. Necker provided the second.

VOTE The motion passed as follows:
AYES: Wildish, Necker, Yeh (3)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Ms. Jackson said that the item will be discussed by Ms. Denmark at the meeting. She added that members of the committee could ask questions in advance to help prepare for the meeting.

Mr. Yeh asked for anecdotal evidence of how LTD has been functioning without the McVay Station. Mr. Necker pointed out the delay has been because of construction and the project may come in conjunction with McVay Corridor.

ADJOURNMENT

Mr. Wildish adjourned the meeting at 4:20 p.m.



AGENDA ITEM SUMMARY

DATE OF MEETING: March 11, 2019

ITEM TITLE: CONTRACT NO. 2019-08 BROWN CONTRACTING

PREPARED BY: Joe McCormack, Director of Facilities Management

ACTION REQUESTED: Forward to the Board of Directors with a recommendation of approval

Please disclose any actual or potential conflict of interest.

PURPOSE: To authorize the general manager to enter into contract with Brown Contracting for the purpose of constructing two EmX station platforms at the intersection of Franklin Boulevard and McVay Highway also known as EmX Franklin Boulevard Phase I Transit Stations.

DESCRIPTION/JUSTIFICATION: Franklin Boulevard has served as the primary connector between Eugene and Springfield since the bridges over the Willamette River were constructed in the early 1900s. Franklin Boulevard currently serves as the spine of the EmX, the region's bus rapid transit system (BRT). Currently serving over 11,000 riders per day, the system connects residents to 34,821 jobs across the region.

The City of Springfield has engaged the community to re-envision the land uses along Franklin Boulevard as mixed-use neighborhoods with vibrant, transit-oriented development. Springfield adopted the first phase of an updated Glenwood Refinement Plan that outlines the future vision for Glenwood. The next step is to transform Franklin Boulevard from an auto-oriented arterial into a multiway boulevard that serves all modes of travel including pedestrians, bikes, buses, and motor vehicles. The investment in the transformation of the roadway will have a catalytic effect on redevelopment of properties in proximity to the street including the attraction of transit-oriented development.

Springfield received funding to construct the first phase of the multiway boulevard. In order to fulfill the definition of a multiway boulevard and ensure that transit is a strong component of the project, LTD secured a Connect Oregon grant to help fund new stations in this first phase.

The scope of this effort includes installation of permanent stations that function with the roundabout design. The stations will be ADA accessible and each station platform will include bicycle parking, a ticket vending machine, benches, lighting, real time signs, and other amenities. The platforms will range from 12 feet to 10 feet wide and 69 feet long. The stations will have shelter structures that serve as protection against inclement weather.

CONTRACT/PROJECT HISTORY: This proposed contract is the result of a second solicitation effort. Pivot Architecture is under contract for design and construction administrative tasks. The design was completed in early 2018. LTD solicited for a construction contract in late spring 2018. Due to lack of contractor availability we received one bid; which exceeded the budget and required cancelation of the solicitation. During the fall of 2018 some slight design revisions were made and then resolicited in February 2019; typically a time before contractors have filled their calendars for the season.

AGENDA ITEM SUMMARY

Contract No. 2019-08: Brown Contracting

PROCUREMENT IMPACT: On February 5, 2019, LTD solicited bids from qualified contractors capable of constructing the two new transit stations. Bids were initially due on February 26, 2019, by not later than 2:00 PM (PDT); however, due to the inclement weather, the bid receipt date was postponed to February 28, 2019. LTD received two bids via its eBid eXchange Procurement portal. They are as follows:

<u>CONTRACTOR</u>	<u>BASE BID</u>	<u>ALTERNATE</u>	<u>TOTAL BID</u>
Brown Contracting, Inc.	\$449,467.00	\$6,400.00	\$455,867.00
Chambers Construction	\$729,000.00	\$2,500.00	\$731,500.00

Brown Contracting, Inc. is the lowest responsive, responsible Bidder. Additionally, Brown Contracting has committed 6.8% of its total contract value to utilization of historically underutilized businesses in Lane County.

POLICY IMPACT:

1. Oregon Public Contracting Code and LTD’s Purchasing Policy Rules require that such services be obtained utilizing a competitive solicitation process.
2. LTD Resolution No. 2017-03-15-011 requires that contracts exceeding \$149,999 must be presented to the Board of Directors for review and approval.

ECONOMIC IMPACT: The construction of this project is listed in the approved FY 19 CIP in the amount of \$755,000. The following project budget includes the proposed construction contract value:

Design/Construction Administration	\$51,282
Construction Contract	\$455,867
Permitting/Inspection	\$20,000
Special Inspection	\$5,000
Owner Furnished Items	\$5,000
Utilities	\$10,000
<u>Contingency</u>	<u>\$207,851</u>
Project Total	\$755,000

FUNDING SOURCE:

Connect Oregon	\$429,200
<u>General Fund Match</u>	<u>\$325,800</u>
Total Project	\$755,000

REQUIRED REPORTING: Connect Oregon requires monthly reporting of project status and milestone progress/completion. Quarterly reporting of project status will also be included to the LTD Board.

RECOMMENDATIONS: Project staff have reviewed the apparent lowest bid for this work and recommend entering into a contract with the bidder. The bid is within the overall budget and staff believe the bid represents a reasonable value to perform the work.

AGENDA ITEM SUMMARY

Contract No. 2019-08: Brown Contracting

OPTIONS IF NOT APPROVED: Alternatives to not approving of this contract would be to: (1) Resolicit the project to a later date to see if costs reduce. (2) Redesign the stations to reduce costs further, which will require additional design service costs and time. (3) Don't build the stations and look for other regular curb height stop opportunities in the vicinity, which would require some passengers to board/de-board from the front door since boarding wouldn't be level Options could jeopardize the current funding package.

PROJECT CLOSEOUT TEAM: The facilities project manager and facilities department manager in coordination with procurement staff will be responsible for closeout of contract at the termination of services; the facilities manager is responsible for final acceptance; the facilities manager is responsible for proper receipt of goods.

ATTACHMENTS: None.

PROPOSED MOTION: I move to forward contract no. 2019-08 to the full Board of Directors with a recommendation for approval.



AGENDA ITEM SUMMARY

DATE OF MEETING: March 11, 2019

ITEM TITLE: CONTRACT NO. 2019-05 DELERROK, INC.

PREPARED BY: Cosette Rees, Director of Customer and Specialized Services

ACTION REQUESTED: Forward to the Board of Directors with a recommendation of approval

Please disclose any actual or potential conflict of interest.

PURPOSE: To authorize the general manager to enter into contract with Delerrok, Inc. for the purpose of implementation and on-going services related to an electronic fare collection system.

CONTRACT DETAILS:

Delerrok Inc TouchPass Fare Collection System			
	Qty	Unit Price	Total
Fare Media			
Contactless Smart Cards	75,000	\$2.00	\$150,000.00
Contactless Paper Passes	30,000	\$0.02	\$600.00
Software			
Mobile App; Web portals	0	\$0.00	\$0.00
Hardware			
On-board Validators (TouchPass Readers w/10% Spares [13 units])	141	\$1,800.00	\$253,800.00
Reader Installation Kits	128	\$148.50	\$19,008.00
Mobile Inspection Devices	10	\$2,000.00	\$20,000.00
Ruggedized Switches	18	\$200.00	\$3,600.00
Services			
Implementation Services	1	\$26,000.00	\$26,000.00
CAD/AVL Integration	1	\$21,000.00	\$21,000.00
Reader and Switch Installations (Per Reader)	128	\$550.00	\$70,400.00
Warranty			
Extension to 6 years	141	\$700.00	\$98,700.00
Total 141 Validators and Implementation			\$663,108.00
Transaction Fees (Max/Year)	68	\$31,000.00	\$2,108,000.00
Total 6 year contract			\$2,771,108.00

Contract No. 2019-05: Delerrok, Inc.

DESCRIPTION/JUSTIFICATION: LTD has long been exploring the implementation of a fare collection system. Until recently, the technology has been considered prohibitively expensive, required a long-term commitment, and would have created a burden on our IT infrastructure.

With advances in technology, experience by the industry, and increased competition in the industry, this is the right time for LTD to take the step into electronic fare validation.

Some of the benefits of the new system include:

Customer convenience. An account based system will allow customers to manage their fares via a web portal or mobile application. They can purchase fares from home, on the go, at retail locations within our service area, or at LTD's Customer Service Center (CSC). The account-based system means that if someone loses their SmartCard they don't lose their fares since the value resides on their account, not on their phone or card. They can deactivate and reactivate fare media easily.

The new system will provide new fare media options to customers. They can use a mobile application, smartcard, tickets, or cash to pay their fare.

Planning. The system will provide insight into how our community uses the bus system. This information will assist LTD to plan our service, understand trends, and track the efficiency and effectiveness of the bus system.

Improved Efficiencies. From an accounting perspective, this system will provide opportunities to increase efficiency through timely and automated fare management and reconciliation. Moving away from a paper pass system will reduce the need to print, inventory, and distribute paper passes and related manual reconciliations.

From an IT infrastructure perspective, this system will reside on the cloud, avoiding the need to have software and data residing on our internal network.

The new system will speed up boarding, which will benefit our operations and our customers.

CONTRACT/PROJECT HISTORY: Delerrok Inc. was formed in 2012. Their fare collection system, TouchPass, offers an account-based system employing multiple media, including contactless smart cards, barcode single-ride tickets, and mobile media. They have six areas they are in revenue service, including Rogue Valley and Bend Oregon. They are in the process of installing in fourteen other areas in the coming months.

TouchPass is provided as a subscription service using a standard system that can be customized to LTD to reflect our brand. Within their standard system are opportunities to configure parameters and features that will support our agency policies and service needs. Delerrok will operate and maintain the platform for the life of the contract and will provide ongoing technical support to agency staff. Their product includes "free upgrades for life", meaning the features and improvements made to their platform are available to all contracts without additional fee.

After implementation, Delerrok's revenues are tied to passenger boardings. As such, they are committed to providing a platform that is reliable and convenient for passengers.

This contract includes on-board validators, mobile inspection devices, user portals, installation, training, software support, updates, and extended warranties on equipment. It is all-inclusive. Ongoing costs included in the contract will include purchasing fare media and transaction fees.

AGENDA ITEM SUMMARY

Contract No. 2019-05: Delerrok, Inc.

In this contract, LTD intends to put validators on the front door of all 40' buses, and on all doors of our articulated buses. This contract does not include validators on EmX. In a future procurement, LTD will plan to purchase platform validators to be placed on EmX platforms. Once those validators are in place, the services will be included in this base contract.

This contract is a six year contract; there is the option to exercise up to two two-year extensions for a total potential contract of ten years.

PROCUREMENT IMPACT: Lane Transit District issued a Request for Proposal (RFP) on November 28, 2018, seeking a qualified vendor to provide an electronic fare collection solution, to include hardware and software, to replace LTD’s current antiquated methods. Key points of focus on this procurement were to select a vendor who could provide robust data collection and reporting, ease of use by customers and partner agencies, improved accountability of fares, and improved boarding. Five submissions were received by the deadline on January 11, 2019 at 5:00 p.m. from the following firms: Closerlook dba Zed Digital; Delerrok; Passport Labs; Token Transit; Way. All proposals contained minor discrepancies, however these were waived in the interest of fair and open competition.

The five proposals were evaluated independently and then scored by the Evaluation Committee on January 25, 2019. This evaluation included consideration of qualifications, project organization and management, operations/approach and methodology work plan, value added, and overall solution cost. The following is the evaluation scoring for each competitive vendor:

<u>VENDOR</u>	<u>OVERALL SCORE (125 POSSIBLE POINTS)</u>
Passport Labs	96
Token Transit	93
Delerrok	89
Zed Digital	61
Way	29

As a result of the initial scoring, Zed Digital and Way were removed from further consideration. The three top scoring vendors were invited to LTD to take part in an interview with the Evaluation Committee and to demonstrate their solutions. These interviews/demonstrations took place during the week of February 4-8, 2019. Based upon the information gained from the interviews/demonstrations, the Evaluation Committee adjusted their scores using the original scoring criteria. The following is the evaluation scoring after the interviews/demonstrations:

<u>VENDOR</u>	<u>OVERALL SCORE (125 POSSIBLE POINTS)</u>
Delerrok	98
Token Transit	92
Passport Labs	85

Subsequently, Delerrok, Inc. was determined to be the most responsive, responsible bidder based upon their demonstrated expertise in the field, variety of reporting and data options, ease of use for customers, and overall benefit that their system would provide to the District.

POLICY IMPACT:

1. Oregon Public Contracting Code and LTD’s Purchasing Policy Rules require that such services be obtained utilizing a competitive solicitation process.

AGENDA ITEM SUMMARY

Contract No. 2019-05: Delerrok, Inc.

2. LTD Resolution No. 2017-03-15-011 requires that contracts exceeding \$149,999 must be presented to the Board of Directors for review and approval.

ECONOMIC IMPACT: Implementation has been a planned expenditure in our CIP; ongoing costs have also been anticipated and planned in our budgeting process.

FUNDING SOURCE: General Fund

REQUIRED REPORTING: LTD will utilize the information to track fare recovery, monitor trends, and provide aggregated reports to stakeholders.

RECOMMENDATIONS: Staff recommendation is that the LTD Board authorize the LTD General Manager to enter into a contract for a period of six years with Delerrok Inc. for the provision of an electronic fare collection system as proposed.

OPTIONS IF NOT APPROVED: If the Board does not approve in March, staff may 1) address issues brought up by the board and come back at a later date to seek approval; or 2) begin a new procurement process; or 3) continue with our current visual fare system.

PROJECT CLOSEOUT TEAM: The Director of Specialized Services and Director of IT are co-project managers and responsible for overseeing the contract implementation of the fare collection system; on-going contract management is yet to be assigned. Since this project impacts every corner of the organization, and outside the organization, implementation teams will involve multiple staff.

ATTACHMENTS: None.

PROPOSED MOTION: I move to forward contract no. 2019-05 to the Board of Directors with a recommendation for approval.

Fare Collection System

March 11, 2019



LTD.org

Agenda

- Review recommendation for fare collection system
- Timeline toward implementation



DeLerrok TouchPass System

Staff Recommendation: DeLerrok Inc.'s TouchPass Solution

- Software as a Service model
- Configurable platform
- Flexible fare payment options - Smartcard, mobile app, paper ticket
- Account-based for customer, non-profit, organizations to self-manage their fares
- Cloud-based platform processing fares real-time



DeLerrok TouchPass System

- Expandable to other services
- Flexible for off-board special event service fare collection
- Customize “look” of the system to incorporate brand
- Extensive reporting capabilities
- Off-line fare validation
- Customer can see current fare assessed and remaining balance
- Flexible fare-policy options, including:
 - Calendar based
 - Time based
 - Number of trips
 - Route/direction
 - Fare-capping



Delerrok TouchPass System

Web-based Account Management System

- Administrative Console
- Merchant Portal
- Passenger Portal



Delerrok TouchPass System

Fare Validation - Implementation

- Front door on 40' buses
- All door on articulated buses (excluding EmX)

Fare Validation - Near Future (not included in current contract)

- Platform validators for EmX



Delerrok TouchPass System

Next Steps

- March 20 Board approval
- April 1 Notice to proceed
- August 1, 2019 Implementation
- Agency and Passenger transition



Fare Collection System

Implementation Team:

- Robin Mayall, IT
- Cosette Rees, Specialized Services
- Andrew Martin, Planning
- Cammie Harris, Marketing
- Everyone else





AGENDA ITEM SUMMARY

DATE OF MEETING: March 11, 2019

ITEM TITLE: CONTRACT NO. 2019-16 OGLETREE, DEAKINS, NASH, SMOAK & STEWART

PREPARED BY: David Collier, Director of Human Resources and Risk Management

ACTION REQUESTED: Forward to the Board of Directors with a recommendation of approval

Please disclose any actual or potential conflict of interest.

PURPOSE: To authorize the general manager to enter into contract with Ogletree, Deakins, Nash, Smoak & Stewart (“Ogletree Deakins”) for the purpose of providing legal guidance on all labor and employment related matters.

DESCRIPTION/JUSTIFICATION: The District requires an attorney of record to provide legal services related to labor negotiations, interpretations of the written labor contract, support for labor related grievances and arbitrations, advice on employment law interpretation, and consulting on employment related projects.

CONTRACT/PROJECT HISTORY: LTD has used the legal services of Attorney Jackie Damm since 2003. Ms. Damm previously worked for a different firm, but prior to our most recent contract negotiations she moved to Ogletree Deakins. LTD utilizes Ms. Damm’s services to ensure the District is correctly interpreting the language of the Collective Bargaining Agreement with the Amalgamated Transit Union and for information as to how labor matters are being ruled on within our jurisdiction.

PROCUREMENT IMPACT: Oregon Revised Statute (ORS) 279B.075 allows LTD to award a contract utilizing a sole source procurement method if the Board of Directors determines in writing that the goods or services, or class of goods or services are only available from one source. The Contractor has provided representation to the District on legal matters related to labor law for many years and has advised District staff with labor relations and contract negotiations. The cost of transferring these matters to another firm would be counter to the public’s interest in the efficient use of public funds. Additionally, transferring duties to another firm would trigger substantial duplication of costs in order for new counsel to review the existing files and understand the nature of LTD’s labor history and past contract negotiations. Thus, it is reasonable to conclude that the services provided by Ogletree Deakins are only available from a single source for a reasonable cost.

POLICY IMPACT: LTD Resolution No. 2017-03-15-011 requires that contracts exceeding \$149,999 must be presented to the Board of Directors for review and approval.

ECONOMIC IMPACT: The Contract is for a period of five (5) years. Based upon past utilization of these services, Staff forecasts that the total budget impact the Contract Term shall not exceed \$180,000.

FUNDING SOURCE: This service is funded by the general fund.

AGENDA ITEM SUMMARY

Contract No. 2019-16: Ogletree, Deakins, Nash, Smoak & Stewart

REQUIRED REPORTING: None, the District is only required to publicly advertise the sole source procurement method for five days and, provided there are no protests, the District may issue the contract.

RECOMMENDATIONS: Recommend approval of the sole source procurement method and award of a five year contract to Ogletree Deakins.

ALTERNATIVES: The Board could choose to competitively bid these services and award a contract to the successful proposer.

PROJECT CLOSEOUT TEAM: The Director of Human Resources, in cooperation with the Procurement Department, would be responsible for closeout of the contract at the termination of services.

ATTACHMENTS: None.

PROPOSED MOTION: I move to forward contract no. 2019-16 to the Board of Directors with a recommendation for approval.



AGENDA ITEM SUMMARY

DATE OF MEETING: March 11, 2019

ITEM TITLE: CONTRACT APPROVAL – 2019-03 WYATT'S TIRE COMPANY

PREPARED BY: Mark Johnson, Assistant General Manager

ACTION REQUESTED: Forward to the Board of Directors with a recommendation of approval

Please disclose any actual or potential conflict of interest.

PURPOSE/OBJECTIVE: This action will authorize the general manager to enter into a contract with Wyatt's Tire Company to provide new tires for revenue buses.

DESCRIPTION/JUSTIFICATION: This tire contract will give us the ability to keep up with the demands of the tire replacement program and improve the reliability of our bus fleet.

CONTRACT HISTORY: Lane Transit previously had a tire contract with Wyatt's Tire Company and it expired August 2018.

PROCUREMENT IMPACT: On January 8, 2019, Lane Transit District issued Invitation to Bid No. 2019-03 to seek bids from qualified firms for provide New Tires for revenue buses. LTD received bids from two companies: Wyatt's Tire Company and Goodyear. Both Bidders were responsive.

The bids were provided to the Contract Manager and Project Manager to review. A Price Analysis was performed and it was determined that Wyatt's Tire Company was the lowest responsive, responsible bidder.

POLICY IMPACT: LTD Resolution No. 2017-03-15-011 requires that contracts exceeding \$149,999 must be presented to the Board of Directors for review and approval.

ECONOMIC IMPACT: The base term of this contract is two (2) years. The cost for year one of the contract is \$149,587.80 and for year two is \$151,779.16. The total maximum contract value over the entire term of the contract (five (5) years) is \$846,759.90. Maintenance has budgeted for tires and can use the below funding source.

FUNDING SOURCE: 010.420.00.65250

REQUIRED REPORTING: There is no required reporting other than normal budgetary requirements

RECOMMENDATIONS: Fleet Maintenance's recommendation is that the LTD board authorize LTD to enter into a contract with Wyatt's Tire Company for a period of 5 years to supply tires for the bus fleet.

IMPACT IF NOT APPROVED: Tires are a necessary element to keep the LTD fleet in service and reliable.

PROJECT CLOSEOUT TEAM: Procurement and the Contract Manager will be responsible for closeout. The Project Manager will be responsible for monitoring and evaluation of work.

ATTACHMENTS: None.

PROPOSED MOTION: I move to forward contract no. 2019-03 to the Board of Directors with a recommendation for approval.