Memorandum

MIAMI-DADE COUNTY

Agenda Item No. 8(O)(1)(F)

Date: May 3, 2011

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Alina T. Hudak
County Manager

Subject: Award of a Competitive Contract for Tire Leasing and Related Services for Miami-Dade Transit

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At the April 12, 2011 Internal Management and Fiscal Responsibility Committee meeting, the foregoing resolution was amended to remove language authorizing the use of Charter County Transportation Surtax funds, as this contract is only funded with Federal Transit Administration funds.

RECOMMENDATION

It is recommended that the Board of County Commissioners approve award of this contract to Michelin North America, Inc. to provide tire leasing and related services for the Miami-Dade Transit Department. This contract includes Federal Transit Administration provisions.

CONTRACT NUMBER: 7400-0/15

TITLE: Tire Leasing and Related Services for Miami-Dade Transit

TERM: Five Years

APPROVAL TO ADVERTISE: February 4, 2010

METHOD OF AWARD: To the responsive and responsible bidder offering the lowest aggregate price.

PREVIOUS CONTRACT AMOUNT: $27,540,000 for 78 months

CONTRACT AMOUNT: $11,788,000

USING/MANAGING AGENCIES/FUNDING SOURCES:

Department	Allocation	Funding Source	Contract Manager
Miami-Dade Transit	$11,788,000	Federal Transit Administration Funds	Juan Garcia
Total	$11,788,000		

DPM AGENT/OFFICER: Jesus Lee, Department of Procurement Management

VENDOR(S) RECOMMENDED FOR AWARD:

Awardee(s)	Address	Principal
Michelin North America, Inc. (Non-Local Vendor)	One Parkway South Greenville, SC 29615	Richard Wilkerson

PERFORMANCE DATA: There are no performance issues with this firm.

COMPLIANCE DATA: There are no compliance issues with this firm.

VENDOR(S) NOT RECOMMENDED FOR AWARD:

Proposer (s)	Reason for Not Recommending
The Goodyear Tire & Rubber Company*	Bid withdrawn

*On December 17, 2010, The Goodyear Tire & Rubber Company withdrew its bid in accordance with Section 1, paragraph 1.2 (f)(2) of the solicitation which allows bidders to withdraw their offer after ninety days of bid opening and prior to award.

REVIEW COMMITTEE DATE: November 24, 2009; Item # 5-02

CONTRACT MEASURES: Small Business Enterprise measures do not apply to this contract due to the funding source. A twenty percent Disadvantaged Business Enterprise goal applies to this contract.

LIVING WAGE: The Living Wage Ordinance does not apply due to the funding source.

USER ACCESS PROGRAM: The User Access Program provision does not apply due to the funding source.

LOCAL PREFERENCE: The Local Preference Ordinance does not apply due to the funding source.

ESTIMATED CONTRACT COMMENCEMENT DATE: Upon approval by the Board and expiration of the Mayoral veto period.

BACKGROUND

This contract provides for tire leasing and related services for the Miami-Dade Transit (MDT) Department's fleet of revenue buses. The awarded bidder will provide a sufficient supply of new and retreaded tires at all facilities ensuring MDT continuity of service. The tire services include, but are not limited to, mounting/dismounting, wheel rim inspection, tire repairs, re-grooving and re-treading, balancing, disposal of tires, and providing monthly usage and performance data reports to MDT. The awarded bidder will also provide equipment, tools, and materials to perform the services.

A "lease vs. buy" analysis confirmed that buying tires, repair materials, shop equipment, and personnel services would cost the County over $1 million dollars more than the leasing option over a five year term. Additionally, a recent survey indicated that 25 of 29 major transit agencies in the United States have tire leasing contracts to support their operations.

Buy America provisions are included in FTA funded contracts. One of the tires (size: 285/70R19.5) included in this solicitation did not meet the Federal Transit Administration's (FTA) Buy America requirements, and will therefore be presented for award under a separate contract using MDT Operating funds. MDT currently has 75 Opus model buses that were purchased in 2007. This is the only tire that can be used for the Opus model buses manufactured by Optima Bus LLC. Both bidders submitted documentation indicating that this tire is manufactured only in Germany. Market research did not identify any other source for this tire.

Assistant County Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

DATE: May 3, 2011

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(O)(1)(F)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **No committee review**

✓ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(O)(1)(F)
5-3-11

RESOLUTION NO. _____

RESOLUTION APPROVING AWARD OF CONTRACT NO. 7400: TIRE LEASING AND RELATED SERVICES FOR MIAMI-DADE TRANSIT, TO MICHELIN NORTH AMERICA, INC, IN THE AMOUNT OF $11,788,000; AND AUTHORIZING THE COUNTY MAYOR OR MAYOR'S DESIGNEE TO EXECUTE THE CONTRACTS AND TO EXERCISE ANY RENEWAL AND CANCELLATION PROVISIONS CONTAINED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the award of Contract no. 7400-0/15 to Michelin North America, Inc., in the amount of $11,788,000 and authorizes the County Mayor or Mayor's designee to execute the contracts and to exercise any renewal and cancellation provisions contained therein.

The foregoing resolution was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman
Audrey M. Edmonson, Vice Chairwoman

Bruno A. Barreiro	Lynda Bell
Jose "Pepe" Diaz	Sally A. Heyman
Barbara J. Jordan	Jean Monestime
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 3rd day of May, 2011. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Bruce Libhaber