Transportation Committee

Meeting date: October 22, 2012

Metropolitan Council Meeting: November 14, 2012

**ADVISORY INFORMATION** 

-Date: October 17 2012

**Subject: Authorization to Award Contract for Transit Vehicle Tire** 

Lease and Service

District(s), Member(s): All

Policy/Legal Reference: Council Procurement Policy

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510

Vince Pellegrin, Chief Operating Officer, 612-349-7511 Julie Johanson, Deputy Chief of Operations—Bus, 612-

349-7514

Jan Homan, Director Bus Maintenance, 612-349-5000 Micky Gutzmann, Director Contracts & Procurement, 651-

602-1741

Chuck Wurzinger, Assistant Director of Technical Support,

612-349-5007

Division/Department: Metro Transit Bus Maintenance

## **Proposed Action**

That the Metropolitan Council authorize the Regional Administrator to execute a contract with Michelin North America, Inc. for tire lease and service for a five-year term in accordance with the Council's specifications and Michelin's proposal dated July 30, 2012 for an amount not to exceed \$13,113,373.

## **Background**

Metro Transit contracts for the lease and service of approximately 5,950 tires used on its fleet of 881 transit buses. The contractor provides tire service at each of the five Metro Transit service garages, including mounting and dismounting tires, wheel painting, tire inspection, and record keeping.

A Request for Proposal (RFP) for tire and lease services was issued on June 7, 2012 and proposals were received from two firms that provide these services. An evaluation panel made up of Council staff reviewed the proposals for both technical and financial aspects and determined that the proposal from Michelin North America, Inc. in the estimated amount of \$13,113,373 for a five-year term was the most advantageous to the Council.

#### Rationale

The current contract for these tire services expires on December 31<sup>st</sup>, 2012 and this contract is required to provide tires for the Metro Transit bus fleet.

### **Funding**

Funding for this contract is budgeted for in the Capital Improvement Program and the funding source is an 80/20 federal grant and local match.

# **Known Support/Opposition**

There is no known opposition to the proposed action.