

RESOLUTION 2009-66

AUTHORIZING CONTRACT NO. 2009-020 WITH BRIDGESTONE AMERICA TIRE OPERATIONS, LLC FOR FURNISHING TIRE AND WHEEL MAINTENANCE SERVICES AND FOR THE LEASING OF RADIAL TIRES, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF FIVE (5) YEARS AT A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$6,676,000 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority has a need to service and provide wheels and tubeless radial tires on all of its revenue vehicles; and

WHEREAS, it has been determined to be cost effective for the Authority to lease this service as opposed to procuring, maintaining tire inventory and staffing personnel to service the Authority's tires; and

WHEREAS, the proposal of Bridgestone America Tire Operations, LLC located at 1200 Firestone Parkway, Akron, OH 44317, as negotiated for tire and wheel maintenance services and leasing of radial tires as required was received on June 17, 2009, and

WHEREAS, after negotiations, Bridgestone America Tire Operations, LLC has offered to provide such services in an amount not to exceed six million six hundred seventy-six thousand & 00/100 dollars (\$6,676,000.00) for a period of five (5) years; and

WHEREAS, the General Manager/Secretary-Treasurer deems the proposal of Bridgestone America Tire Operations, LLC to be most favorable to the Authority, cost and all other factors considered, and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the proposal of Bridgestone America Tire Operations, LLC as negotiated, for tire and wheel maintenance services and leasing of radial tires, as specified and as required, be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Bridgestone America Tire Operations, LLC for tire and wheel maintenance services and leasing of radial tires, as specified and as required.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department Budget, in an amount not to exceed six million six hundred seventy-six thousand & 00/100 dollars (\$6,676,000.00) for a period of five (5) years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation for the current and future contract years and upon compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2009-023; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Bridgestone America Tire Operations, LLC will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: August 18, 2009



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: FURNISHING TIRE AND WHEEL MAINTENANCE SERVICES AND FOR LEASING OF RADIAL TIRES	Resolution No.: 2009-66
VENDOR: BRIDGESTONE AMERICA TIRE OPERATIONS, LLC	Date: August 13, 2009
AMOUNT: \$6,676,000 FOR A FIVE YEAR PERIOD	Initiator: Fleet Management
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a contract for tire and wheel maintenance services and leasing of radial tires, as specified and as required, for the Authority's revenue vehicles.

- 2.0 **DESCRIPTION/JUSTIFICATION:** A lease vs buy analysis has been performed, in accordance with Procurement Department Policies and Procedures, and the Authority has determined it to be cost effective to contract for the leasing services of tubeless radial tires. Most transit authorities have similar arrangements for their revenue tire needs.

Contracting out the maintenance and leasing of tires has proven to be beneficial to the Authority. The contractor maintains a sufficient inventory for all the Authority's tubeless radial tires and provides on-site service at each of the Authority's district garages. This leasing arrangement allows the contractor to maintain title of the tires, which relieves the Authority of any EPA responsibility for the disposal of tires.

- 3.0 **PROCUREMENT BACKGROUND:** Requests for Proposal were sent to the three (3) known providers of lease and tire service. Two (2) proposals were received on June 17, 2009. After evaluation by a panel of Authority employees in accordance with established Procurement Department Policies and Procedures, and negotiations, the proposal of Bridgestone America Tire Operations, LLC, for tire and wheel maintenance services and leasing of radial tires as specified and as required for a period of five (5) years was determined to be the most favorable to the Authority, price and all other factors considered.

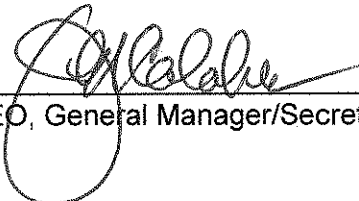
- 4.0 **AFFIRMATIVE ACTION/DBE COMPLIANCE:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.

- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 **ECONOMIC IMPACT:** This procurement will be funded through the General Fund, Fleet Management Department Budget, in an amount not to exceed six million six hundred seventy-six thousand & 00/100 dollars (\$6,676,000.00) for a period of five (5) years. This is a 3 % increase above the budgeted amount for this purchase.

- 7.0 ALTERNATIVES: Reject this award. Rejection of this offer would impact the Authority's ability to replace worn tires and wheels, which could impact the safety and service of the Authority.
- 8.0 RECOMMENDATION: This contract was reviewed by the Operations Committee at their August 4, 2009 meeting and recommended for approval by the Board of Trustees. It is recommended that the proposal of Bridgestone America Tire Operations, LLC, as negotiated, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer