

PROCUREMENT SUMMARY

BUS TIRE LEASING AND MAINTENANCE SERVICES/OP83932000-39383

1.	Contract Number: OP83932000-39383	
2.	Recommended Vendor: The Goodyear Tire & Rubber Company.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: March 24, 2017	
	B. Advertised/Publicized: March 24, 2017	
	C. Pre-Proposal/Pre-Bid Conference: March 29, 2017	
	D. Proposals/Bids Due: May 1, 2017	
	E. Pre-Qualification Completed: August 21, 2017	
	F. Conflict of Interest Form Submitted to Ethics: May 2, 2017	
	G. Protest Period End Date: September 25, 2017	
5.	Solicitations Picked up/Downloaded: 10	Bids/Proposals Received: 2
6.	Contract Administrator: Aielyn Dumaua	Telephone Number: (213) 922-7320
7.	Project Manager: James Jimenez	Telephone Number: (213) 922-5870

A. Procurement Background

This Board Action is to approve the award of Contract No. OP83932000-39383 to The Goodyear Tire and Rubber Company (Goodyear) for the lease and maintenance of tires for Metro-operated bus fleet and servicing of non-revenue vehicle tires.

Request for Proposals (RFP) No. OP39383 was issued as a competitively negotiated procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate. This RFP was issued with a Race Conscious DBE contract goal of 5%. It is also subject to the DBE Contracting Outreach and Mentoring Plan (COMP), which requires the selected contractor to, at a minimum, mentor one firm for protégé development.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on April 14, 2017, extended the proposal due date; expanded the list of DBE certified firms available to potential Proposers as outreach resource, revised certain sections of "Exhibit A - Statement of Work" to clarify requirements of Metro's Alcohol and Drug-Free Workplace Program and tire inspection, clarified Contractor's obligation per "Regulatory Requirement (RR)-05 Access to Records" on providing Metro with reasonable access to records, updated language in "Compensation Provision (CP)-01 Progress Payment" so that it is aligned with the contract type; updated

information on Metro's current fleet size by bus type and axle weight; deleted Special Provisions, General Conditions and Exhibits that are not applicable to the contract; and clarified submittal instructions for filling-out the cost proposal forms.

- Amendment No. 2, issued on April 26, 2017, extended the proposal due date.

A pre-proposal conference was held on March 29, 2017, and was attended by six participants representing five firms. There were 130 questions received and responses were provided prior to the proposal due date.

Two proposals were received on May 1, 2017, and are listed below in alphabetical order:

1. Michelin North America, Inc.
2. The Goodyear Tire & Rubber Company

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Quality Assurance and Maintenance Operations Departments was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated on the following criteria and weights:

- Qualifications of the Prime Contractor and the Team 40 percent
- Qualifications and Capabilities of Key Personnel 11 percent
- Understanding of the Statement of Work and Management Plan/Approach 30 percent
- DBE Contracting Outreach & Mentor Protégé Approach 4 percent
- Cost Proposal 15 percent

The evaluation criteria are appropriate and consistent with criteria developed for similar leasing and maintenance services procurements. Several factors were considered when developing these weights, giving the greatest importance to the qualifications of the prime contractor and the team.

On May 2, 2017, the PET met to review the evaluation criteria package, process confidentiality and conflict forms and take receipt of the two responsive proposals. Evaluations were conducted from May 2, 2017, through May 21, 2017.

On May 22, 2017, the PET reconvened and determined that both proposals were within the competitive range. Therefore, both proposers were invited to make oral presentations on May 31, 2017. The Proposers' project managers and key team members had an opportunity to present each team's qualifications and respond to the PET's questions.

In general, each team’s presentation described the composition of the team and explained the proposed staffing complement for each Metro Division/location as well as the basis of work assignment in relation to Statement of Work requirements. Further, the teams were asked to discuss that specific type of equipment proposed to be dedicated to the contract; procedures in handling powder coating of steel wheels, including turn-around time; and the process for disposal and/or recycling of rubber waste.

Qualifications Summary of Firms Within the Competitive Range:

Michelin North America, Inc.

Michelin North America, Inc. (Michelin), established in 1950, is based in Greenville, South Carolina with manufacturing plants in Alabama, Indiana, Ohio, Oklahoma, North Carolina and South Carolina; Nova Scotia, Canada, and Queretaro-Mexico. It currently provides tire lease and maintenance services to over 50 companies in the United States and Canada, including six transit agencies. Although Michelin identified key personnel that will be in charge of the Metro account, including a Start-up Manager, the firm did not propose the Project Manager and four Shift Managers who will be handling the day-to-day operations. Michelin clarified that the Start-up Manager will be overseeing the account until a dedicated and experienced Project Manager is hired, if they are awarded the contract.

The Goodyear Tire & Rubber Company

The Goodyear Tire & Rubber Company (Goodyear) has been in the tire and rubber business since 1898 and develops, manufactures and distributes a wide range of tires for automobiles, trucks, buses, aircraft, motorcycles, earth moving and mining equipment, farm implements, industrial equipment and various other applications. Goodyear has over 100-year history of leasing tires to the bus industry. It has provided tire leasing and/or maintenance services to numerous transit agencies in the United States and Canada. Clients include Maryland Transit, New Jersey Transit, New York City Transit Authority, Toronto Transit, and Washington Metropolitan Area Transit Authority.

At the conclusion of the evaluation process, including oral presentations, Goodyear was determined to be the top ranked firm.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	The Goodyear Tire & Rubber Company				
3	Qualifications of the Prime	92.78	40.00%	37.11	

	Contractor and the Team				
4	Qualifications and Capabilities of Key Personnel	92.54	11.00%	10.18	
5	Understanding of the Statement of Work and Management Plan/Approach	88.40	30.00%	26.52	
6	DBE Contracting Outreach & Mentor Protégé Approach	50.00	4.00%	2.00	
7	Cost Proposal	89.27	15.00%	13.39	
8	Total		100.00%	89.20	1
9	Michelin North America, Inc.				
10	Qualifications of the Prime Contractor and the Team	78.35	40.00%	31.34	
11	Qualifications and Capabilities of Key Personnel	39.27	11.00%	4.32	
12	Understanding of the Statement of Work and Management Plan/Approach	79.63	30.00%	23.89	
13	DBE Contracting Outreach & Mentor Protégé Approach	25.00	4.00%	1.00	
14	Cost Proposal	100.00	15.00%	15.00	
15	Total		100.00%	75.55	2

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on price analysis, technical analysis, and fact-finding. The offered lease rate is lower than the current rate. Also, the recommended price is 12% less than Metro’s ICE.

	Proposer Name	Proposal Amount	Metro ICE	NTE amount
1.	The Goodyear Tire & Rubber Company	\$40,908,927	\$46,718,664	\$40,908,927
2.	Michelin North America, Inc.	\$36,524,900		

D. Background on Recommended Contractor

The recommended firm, The Goodyear Rubber & Tire Company, is headquartered in Akron, Ohio. It is one of the world’s leading tire companies operating through three segments: America; Europe, Middle East and Africa; and Asia Pacific. It also operates commercial truck service and tire retreading centers. Goodyear has been

providing bus tire leasing and maintenance services to Metro for over 20 years and performance has been satisfactory.

The proposed Project Manager has over 20 years of experience with Goodyear, from tire maintenance technician to supervisor. He is the project manager of the current contract.

Goodyear's team includes four DBE subcontractors: Cetera Marketing, Reliance Safety Consultants, Islas Tires, and Metal Masters. Services to be provided by the DBE subcontractors include aluminum wheel polishing and steel wheel pick-up, tire disposal/service, forklift certification and identification badges.