



Metro

Los Angeles County
Metropolitan Transportation Authority

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March 29, 2017

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON *PAW*
CHIEF EXECUTIVE OFFICER

FROM: DEBRA AVILA *DA*
CHIEF VENDOR/CONTRACT MANAGEMENT OFFICER

SUBJECT: REJECT BIDS AND RESOLICIT

ISSUE

On February 16, 2017, Metro Vendor/Contract Management (V/CM) staff issued Invitation for Bids (IFB) No. PS2195315131-3 for Tree Trimming services in accordance with Metro's Acquisition Policy. The IFB was issued as a Small Business Prime solicitation (Set Aside) and was open to Metro SBE certified small businesses only.

On the bid due date of March 20, 2017, two bids were received and a public bid opening was conducted. Recent changes in legislation now require receiving a minimum of three bids from certified small business enterprise firms (SBE). This Board Box provides staff's recommendation of Metro's intent to reject the two bids that were received and resolicit an IFB for Tree Trimming services.

DISCUSSION

Effective January 1, 2017, California Public Utilities Code (PUC) Section 130232 requires obtaining a minimum of three bids from certified small business entities on Set Aside bids:

“(v) Set aside work for competition among certified small business enterprises and award a contract to the lowest responsible bidder whenever the expected expenditure required exceeds five thousand dollars (\$5,000) but is less than three million dollars (\$3,000,000), as long as price quotations are obtained by the authority from three or more certified small business enterprises.”

In accordance with Metro's Acquisition Policies and Procedures, V/CM staff is recommending rejecting the two bids that were received and opened and cancel IFB PS2195315131-3 as a result of not receiving a minimum of three bids as required by PUC §130232.

NEXT STEPS

Staff intends to reissue an IFB for tree trimming services that will be open competition to all size firms. The IFB will have mandatory SBE and Disabled Veterans Business Enterprise (DVBE) goals established. Bidding firms must meet these SBE/DVBE goals as a condition of contract award. Staff is planning to present the contract award recommendation to the Board within the next six months.