



Metro

DATE: MARCH 23, 2020

TO: BOARD OF DIRECTORS

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

FROM: DEBRA R. AVILA *[Signature]*
CHIEF, VENDOR/CONTRACT MANAGEMENT OFFICER

SUBJECT: CANCELLATION OF IFB NO. PS66029 SPECIAL EVENT SERVICES
& EQUIPMENT RENTAL

ISSUE

The Los Angeles County Metropolitan Transportation Authority (Metro) issued Invitation for Bids (IFB) No. PS66029 to provide rental equipment and special event services to support Metro events. Two bids were received, from North Star Alliances and Surface Productions, Metro certified Small Business Enterprise (SBE) firms. The bid prices received, were higher than the value of the independent cost estimate. Staff does not believe that it is in the best interest of Metro to proceed with the award and recommends the cancellation and re-procurement of the IFB.

BACKGROUND

On December 13, 2019, IFB No. PS66029, for Special Event Services and Equipment Rental was released under Metro's Small Business Set Aside Program. The resulting contract was intended to be a firm fixed unit rate with a 4-year period of performance. The Independent Cost Estimate (ICE) for these services was \$988,627. Two bids were received from North Star Alliances, LLC, and Surface Productions, Inc. on the due date of January 16, 2020. The bids received were in the amount of \$1,233,392.75 from North Star Alliances and \$1,943,820 from Surface Productions. The bid amounts were higher than the ICE by 25% and 97%, respectively.

After bids were reviewed by the Project Team, both bid amounts were deemed unreasonable and excessive, given past procurement history and in comparison with Metro's ICE. Therefore, staff does not believe that it will be in Metro's best interest to proceed with this procurement and is hereby recommending its cancellation.

In accordance with Metro's Acquisition Policy 7.27.1.A.1, Procedures for Rejecting All Bids, it was determined that all bids were non-responsive or at unreasonable prices.



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NEXT STEPS

Upon cancellation of IFB No. PS66029 for Special Event Services and Equipment Rental, staff will review and revise the statement of work, equipment rental list and the ICE, as may be needed. Thereafter, staff will re-issue the solicitation.