



Metro

Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
OCTOBER 18, 2007**

SUBJECT: BUS AIR COMPRESSORS

ACTION: AWARD CONTRACT FOR BUS AIR COMPRESSORS

RECOMMENDATION

Authorize the Chief Executive Officer to award a 24-month firm fixed price requirements contract under Bid Number 07-0009 with Tec of California, the lowest responsive and responsible bidder, for bus air compressors for an amount not to exceed \$1,134,582 inclusive of sales taxes.

RATIONALE

Bus air compressors are required to maintain and service the Cummins L10 and Detroit Diesel Series 50 CNG engines. There are currently 2076 vehicles in Metro's fleet that utilize these compressors. This agreement will support the maintenance programs at the Central Maintenance Shops and the Service Sectors. Since this is a "requirements type" agreement up to the specified quantity for a specific duration of time, there is no obligation or commitment on the part of Metro to order any or all of the Bus Air Compressors that may be required. The bid quantities are estimates only, with deliveries to be ordered and released as required. Based on historical usage, staff estimates that Metro uses approximately 480 bus air compressors per year.

The bus air compressors will be maintained in Inventory and managed by Material Management. Each of the Service Sectors operating divisions maintains the bus air compressors in the stock room based on individual consumption requirements. As the bus air compressors are issued, the appropriate Sector's budget project numbers and accounts are charged.

This procurement will provide Metro the continuity of supply of bus air compressors at the lowest cost and ensure availability to support the bus fleet over the next 24 months.

FINANCIAL IMPACT

The funding of \$378,194 for Bus Air Compressor representing approximately eight months usage is included in the FY08 budget for Parts-Revenue Vehicles in Cost Center Numbers 3441, 3503, 3508, 3515, 3601, 3609, 3707, 3710, 3802, 3805 and 3818 under Project Numbers 300050, 301008, 301012, 302008, 303008, 304008 and 305008.

Since this is a multi-year contract, the cost center Managers and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years. In FY07, \$536,072 was expended on this item.

ALTERNATIVES CONSIDERED

The alternative is to not award the contract or procure the bus air compressors on an as-needed basis. This strategy is not recommended since it does not provide a commitment from the supplier that ensures the availability, timely delivery, or a guaranteed fixed price for the Air Compressors.

ATTACHMENTS

- A Procurement Summary
- A-1 Procurement History
- A-2 List of Subcontractors
- A-3 Bid Tabulation

Prepared By: Al Mitchell, Contract Administration Manager
John Petres, Equipment Maintenance Manager

Carolyn Flowers

Carolyn Flowers
Chief Operations Officer

Roger Snoble

Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

BUS AIR COMPRESSORS

1.	Contract Number: 070009		
2.	Recommended Vendor: Tec Of California, LA Mirada, California		
3.	Cost/Price Analysis Information:		
	1. Bid/Proposed Price: \$1,134,582.97	Estimated Amount: \$ 1,191,271.40	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Price		
5.	Procurement Dates:		
	A. Issued: 6-28-07		
	B. Advertised: 6-28-07		
	C. Pre-bid Conference: N/A		
	D. Proposals/Bids Due: 7-26-07		
	E. Pre-Qualification Completed: yes		
	F. Conflict of Interest Form Submitted to Ethics: Yes		
6.	Small Business Participation: N/A		
	A. Bid/Proposal Goal: 0% No goal recommended	Date Small Business Evaluation Completed:	
	Small Business Commitment: No goal recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 20	Bids/Proposals Picked up: 15	Bids/Proposals Received: 7
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	
	1. Tec Of California	\$1,134,582.97	
	2. Neopart	\$1,273,412.30	
	3. NABI	\$1305,783.38	
	4. Gillig Corp.	\$1,307,046.01	
	5. Muncie Reclamation	\$1,501,540.08	
	6. Applied Indus. Tech	\$1,667,656.20	
	7. Valley Power System	\$ 891.711.54 (Bid one Line item only)	
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder.		
9.	Protest Information:		
	A. Protest Period End Date: 10-23-07		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Richard Bonino	Telephone Number: 213/922-1026	
11.	Project Manager: Cathy Kaminski - Inventory	Telephone Number: 213/922-5713	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

BUS AIR COMPRESSORS

A. Background on Contractor

Tec of California has been in business since December 1994 supplying automotive replacement parts. Their customers include Los Angeles Department of Water & power, City Of Los Angeles, Yellow Transportation, and MCI Bus Corporation.

B. Procurement Background

In accordance with Metro's Procurement Policy Manual, Maintenance Operation staff performed a technical evaluation and determined that the bid submitted by Tec of California was determined to be in full compliance with the specifications.

The Diversity and Economic Opportunity Department did not recommend a participation goal for this procurement.

C. Evaluation Criteria

Technical review and selection of the lowest responsive, responsible bidder.

- Bidder #1 Tec of California in the amount of \$1,134,582.97 was found to be in full compliance with the bid specifications.
- Bidder #2 Neopart in the amount of \$1,273,412.30 was found to be in full compliance with the bid specification.
- Bidder #3 NABI in the amount of \$1,305,783.38 was found to be in full compliance with the bid specification.
- Bidder #4 Gillig Corporation in the amount of \$1,307,046.01 was found to be in full compliance with the bid specification.
- Bidder #5 Muncie Reclamation in the amount of \$1,501,540.08 was found to be in full compliance of the bid specification.
- Bidder#6 Applied Technologies in the amount of \$1,667,656.20 was found to be in full compliance with the bid specifications.
- Bidder #7 Valley Power System in the amount of \$891,711.54 was found to be in full compliance with the bid specification. The bidder elected not to bid on item number two.

D. Cost/Price Analysis Explanation of Variances

The recommended bid price of \$1,134,582.97 has been determined to be fair and reasonable, based upon adequate price competition, and selection of the lowest responsive and responsible bidder.

**BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS**

BUS AIR COMPRESSORS

PRIME CONTRACTOR –Tec of California

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0.0%

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION

Bid No: 070009 Bus Air Compressors

Bids Out: 06/28/07 Total 20
 Bids Opened: 07/26/07 Total 7
 No Bid: 1
 Advertisement Date(s): 06/28/07
 Newspaper: Daily News

Item No.	Description	Qty	Unit	Tec of California, Inc.		Neopart		NABI		Gillig Corporation	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Bendix Part Number 00800394	720	EA	\$1,077.84	\$776,044.80	\$1,209.73	\$871,005.60	\$1,240.48	\$893,145.60	\$1,241.68	\$894,009.60
2	Bendix Part Number 00065198	240	EA	\$1,133.62	\$272,068.80	\$1,272.32	\$305,356.80	\$1,304.67	\$313,120.80	\$1,305.93	\$313,423.20
Sub Total					\$1,048,113.60		\$1,176,362.40		\$1,206,266.40		\$1,207,432.80
Sales Tax 8.25%					\$86,469.37		\$97,049.90		\$99,516.98		\$99,613.21
Total Bid					\$1,134,582.97		\$1,273,412.30		\$1,305,783.38		\$1,307,046.01
Muncie Reclamation & Supply											
Applied Industrial Technologies											
Valley Power Systems, Inc.											
1	Bendix Part Number 00800394	720	EA	\$1,426.50	\$1,027,080.00	\$1,585.00	\$1,141,200.00	\$1,144.10	\$823,752.00		
2	Bendix Part Number 00065198	240	EA	\$1,500.10	\$360,024.00	\$1,664.00	\$399,360.00	No Bid	\$0.00		
Sub Total					\$1,387,104.00		\$1,540,560.00		\$823,752.00		
Sales Tax 8.25%					\$114,436.08		\$127,096.20		\$67,959.54		
Total Bid					\$1,501,540.08		\$1,667,656.20		\$891,711.54		

I hereby certify Tec of California as being the lowest responsible bidder and recommend the award to them for total price, including sales tax, of \$1,134,582.97

9/13/07

 Date Signature