



Metro

Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

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Revised
OPERATIONS COMMITTEE
MARCH 19, 2008

SUBJECT: GRS MODEL 5E SWITCH MACHINE REFURBISHMENT

ACTION: APPROVE CONTRACT AWARD OP-3960-2303

RECOMMENDATION

Authorize the Chief Executive Officer to award a one year seven month firm fixed price contract, contract under Bid No. OP3960-2303 with Rail Development Group (RDG) to refurbish 40-80 switch machines for Metro Blue and Metro Red Lines in an amount not to exceed \$268,800.00.

RATIONALE

A switch machine is an electro-mechanical machine used to move a switch point so that a rail vehicle can move from one track to another. Existing switch machines on the Metro Blue Line are twenty years old and those on the Metro Red Line are fifteen years old. As these are electro-mechanical devices, vital to maintaining reliable train operations, these units need to receive a mid-life overhaul. Overhaul to refurbish these 80 switch machines to the Original Manufacture Specification will provide fifteen to twenty years additional life.

FINANCIAL IMPACT

The funding of \$480,000 for this contract is included in the life of the project budget. The funds for these expenses are included in the FY09 Budget in cost center 3960 (Rail Operation), project 211004 (MBL & MRL Switch Machine Rehabilitation) Line Item/Account 50316 (Professional Services), task 07.001

The source for the funding of this project is Local Funds. The life of the project budget for this project is \$1,275,000.00.

ALTERNATIVES CONSIDERED

The alternative is to replace the machines with new ones at 400% the cost of refurbishment.

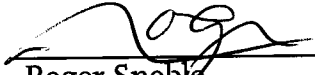
ATTACHMENT(S)

- A. Procurement Summary
- A-1. Procurement History
- A-2. List of Subcontractors

Prepared by: Aderemi Omotayo, Wayside Systems Signal
Lily Lopez, Contract Administrator



Michael J. Cannell
General Manager, Rail Operations



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

GRS MODEL 5E SWITCH MACHINE REFURBISHMENT

1.	Contract Number: OP-3960-2303		
2.	Recommended Vendor: Rail Development Group (RDG)		
3.	Cost/Price Analysis Information: \$		
	A. Bid/Proposed Price: \$268,800.00	Recommended Price: \$268,800.00	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: January 9, 2009		
	B. Advertised: January 13, 2009		
	C. Pre-proposal Conference: N/A		
	D. Proposals Due: January 29, 2009		
	E. Pre-Qualification Completed: TBD		
	F. Conflict of Interest Form Submitted to Ethics: TBD		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: DBE 0%	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 3	Proposals Picked up: 8	Proposals Received: 3
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Rail Development Group PATCO Industries Inc Alstom	<u>Proposal Amount:</u> \$268,800 \$382,060 \$599,600	<u>Best and Final Offer Amount:</u>
	B. Evaluation Methodology: Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: 3/24/09		
	B. Protest Receipt Date:		
	C. Disposition of Protest Date: n/a		
10.	Contract Administrator: Lily Lopez	Telephone Number: 213-922-4639	
11.	Project Manager: Aderemi Omotayo John McGrevey	Telephone Number: 213-922-3243 213-922-3227	

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

GRS Model 5E Switch Machine Refurbishment

A. Background on Contractor

Rail Development Group (RDG), is located in Rochester, New York. RDG was founded in 1999 and is the largest independent Signal Remanufacturing facility in North America for the freight and passenger rail industry. RDG specializes in developing innovative products, and processes that utilize the latest technology and materials in order to remanufacture to the Original Equipment Manufacturer (OEM) standards. Metro has not done business with RDG in the past.

B. Procurement Background

IFB No. OP-3960-2303 was conducted as a two-step: technically acceptable, lowest price procurement. prior to the stated bid deadline, three (3) firms submitted technical proposals; Rail Development Group, Patco Industries, Inc and Alstom.

The Diversity and Economic Opportunity Department (DEOD) did not recommend an MBE/WBE Voluntary Anticipated Level of Participation.

C. Evaluation of Proposals

In accordance with Metro's Procurement Policies and Procedures, Rail Operations (Wayside System Signals) performed a technical evaluation of the three bids submitted. After evaluation, it was determined that all three firms were found to be technically acceptable. All three firms submitted their price bids and Rail Development Group was determined to be the lowest priced, technically acceptable offer.

D. Cost/Price Analysis Explanation of Variances

The recommended price of \$268,800.00 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest, technically acceptable bid from a responsible bidder.



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

GRS Model 5E Switch Machine Refurbishment

PRIME CONTRACTOR – Rail Development Group

Small Business Commitment

Other Subcontractors

Total Commitment 0%

ATTACHMENT A-3

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: OP39602303 GRS Model 5E Switch Machine Refurbishment**

Bids Out: 01/09/09 Total 7
 Bids Opened: 02/12/09 Total 3
 Advertisement Date(s): 01/13/09
 Newspaper: Daily News

Item No.	Description	Qty	UM	Rail Development Group		Patco Industries, Inc.		Alstom Signaling Inc.	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Refurbishment of GRS Model 5E Switch Machine	80	EA	\$3,100.00	\$248,000.00	\$4,676.75	\$374,140.00	\$7,495.00	\$599,600.00
2	Freight	80	EA	\$260.00	\$20,800.00	\$99.00	\$7,920.00	Included in Price	\$0.00
Sub Total					\$268,800.00		\$382,060.00		\$599,600.00
Total					\$268,800.00		\$382,060.00		\$599,600.00

I hereby certify _____ as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of _____.

Date

Signature