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Metropolitan Transportation Authority

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36

**OPERATIONS COMMITTEE
SEPTEMBER 17, 2009**

SUBJECT: PICK-UP TRUCKS

ACTION: AWARD CONTRACT FOR PICK-UP TRUCKS

RECOMMENDATION

Authorize the Chief Executive Officer to award a firm fixed price contract under IFB No. OP34342254 with Thorson GMC Truck-Buick Motor Co., the lowest responsive and responsible bidder for 35 pick-up trucks for an amount not-to-exceed \$856,847, inclusive of sales tax.

RATIONALE

This procurement is for the purchase of 35 standard one-ton pick-up trucks to be utilized by bus operating divisions and facilities maintenance as field trucks by maintainers, electricians and laborers. These trucks are configured with air compressors and bus jump start capabilities and are also used as road call trucks to repair buses that have broken down while in service. The Facilities Maintenance uses these trucks for general hauling of parts and supplies to the various job sites throughout our system.

These are replacement trucks for ones currently in service. The replacement cycle falls under the Non-Revenue Operations guideline of seven years/150,000 miles for replacement trucks. Their age and condition have depreciated to a point that maintaining them far exceeds their value while reliability is being impacted.

FINANCIAL IMPACT

Funds for this action are included in the FY10 budget under Cost Center 3434, Non-Revenue Operations, Account Code 53106, Acquisition – Service Vehicle and Project 208047, Replacement Non-Revenue Medium Duty Vehicles.

Impact to Enterprise Fund Bus and Rail Operating Budget

The budgeted amount of \$856,847 will be charged to the Enterprise Fund (EF) bus and rail operating budget under capital project 208047. This project is funded under Article 4, Transportation Development Act – TDA. These are replacements for like vehicles currently being utilized. There is no impact to the current operating budget because

there are no changes in their preventive maintenance requirements. Some savings will be realized due to the immediate decline in unscheduled repairs. Additionally, all costs outside of preventative maintenance are covered under the vehicles factory warranty.

At the expiration of the factory warranty the operating budget will start to absorb all associated cost for unscheduled breakdowns. This will increase as the age and miles of the vehicles increase.

ALTERNATIVE CONSIDERED

The alternative is to not purchase these pick-up trucks and continue utilizing them. This option is not desirable due to the age of the current fleet. These vehicles face a heavy workload every day and their reliability requirements are more demanding than other vehicles in our fleet. The additional maintenance cost to keep them operational far exceed their value and to invest in major work like engine and transmission will have a negative impact to the non-revenue operating budget.

Consideration for hybrid vehicles were made but the market does not currently produce such a truck for commercial applications. Additional consideration was made to downsize the vehicles to a smaller or "mini" truck but the reduce cargo weight and capacity would negatively impact the departments that utilize them.

ATTACHMENT(S)

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

Prepared by: Harold Torres, Assistant Equipment Maintenance Manager
Diane Ly, Assistant Contract Administrator

Carolyn Flowers

Carolyn Flowers
Chief Operations Officer

Arthur T. Leahy

Arthur T. Leahy
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

PICK-UP TRUCKS

1.	Contract Number: OP34342254		
2.	Recommended Vendor: Thorson GMC Truck-Buick Motor Co.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$856,847	Recommended Price: \$856,847	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: April 29, 2009		
	B. Advertised: May 1, 2009		
	C. Pre-bid Conference: N/A		
	D. Bids Due: May 27, 2009		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: June 12, 2009		
6.	Small Business Participation:		
	A. Bid Goal: MBE: 0% WBE: 0%	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 15	Bids/Proposals Picked up: 27	Bids/Proposals Received: 6
8.	Evaluation Information: See Bid Tabulation		
	<u>A. Bidders/Proposers Names:</u>	<u>Bid/Proposal Amt:</u>	<u>Best and Final Offer Amt:</u>
	Thorson GMC Truck-Buick Motor Co.	\$ 827,990	\$ 856,847
	Reynolds Buick/Pontiac/GMC Trucks	\$ 833,360	\$ 862,527
	Maurice J. Sopp & Son	\$ 847,648	\$ 876,998
	Fairway Ford	\$ 887,125	
	Theodore Robins Ford	\$ 887,152	*See Paragraph A-1D
	South Bay Ford	\$ 939,013	
	B. Evaluation Methodology: Procurement is in compliance with Procurement policies and procedures.		
9.	Protest Information:		
	A. Protest Period End Date: 9/23/09		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Diane Ly	Telephone Number: 213-922-1102	
11.	Project Manager: Harold Torres	Telephone Number: 562-658-0231	

