



Metro

Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
JULY 21, 2005**

SUBJECT: HIGHWAY/RAIL UTILITY TWO-PERSON SINGLE BUCKET TRUCKS

**ACTION: AWARD A CONTRACT FOR HIGHWAY/RAIL UTILITY TWO-PERSON
SINGLE BUCKET TRUCKS**

RECOMMENDATION

Authorize the Chief Executive Officer to award a firm fixed price contract under IFB No. OP34341663 with Terex Utilities for two Highway/Rail Utility Two-Person Single Bucket Trucks for a firm fixed price of \$395,593, inclusive of sales tax.

RATIONALE

This procurement is for two heavy-duty trucks configured with a two-person articulated boom and equipped with Hi-Rail equipment for working on rail line right-of-ways. These vehicles provide the ability to perform maintenance and repairs to overhead catenary lines on Metro light rail systems and on high reach areas in the Metro red line subway. This type of work is a daily part of the Metro Rail Wayside Systems department duties and responsibilities.

These vehicles are being purchased as replacements for two single man bucket trucks that are sixteen years old. In addition to the increasing maintenance cost of these aging trucks, the single man bucket configuration is less efficient. The rail system has expanded significantly since their purchase and the needs of the Wayside Systems department has outgrown their limited capabilities.

Since these are replacement vehicles, Metro will not incur additional operational costs and will see a decrease in maintenance costs because the vehicles are new and under warranty. There will be an increase in efficiency and productivity due to the two-person configuration and increased flexibility of the modern design.

FINANCIAL IMPACT

The funding of \$450,000 for this equipment is included in the FY06 budget in cost center 3434, Non-Revenue Operation in capital project number 208004. This expenditure is within the board approved life-of-project budget.

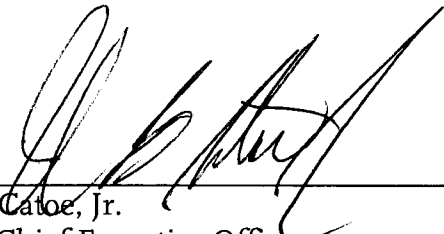
ALTERNATIVES CONSIDERED

The alternative is to continue using the existing equipment. This would result continued performance limitations and the loss of productivity due to the limited design characteristics of these older vehicles. In addition, continued use of the existing equipment would result in increasing maintenance costs as the vehicles age well past their projected useful life.

ATTACHMENTS

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

Prepared by: Harold Torres, Equipment Maintenance Supervisor
David Vila, Contract Administration Manager



John B. Catoe, Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

HIGHWAY/RAIL UTILITY TWO-PERSON SINGLE BUCKET TRUCK

1.	Contract Number: OP34341663		
2.	Recommended Vendor: Terex Utilities		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$395,593	Recommended Price: \$395,593	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: March 9, 2005		
	B. Advertised: March 18, 2005		
	C. Pre-bid Conference: N/A		
	D. Bids Due: April 19, 2005		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: May 26, 2005		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 0%	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 9	Bids/Proposals Picked up: 7	Bids/Proposals Received: 1
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Terex Utilities	<u>Bid/Proposal Amount:</u> \$395,593	<u>Best and Final Offer Amount:</u> NA
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder. Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: July 26, 2005		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Otto Ojong	Telephone Number: 213-922-1454	
11.	Project Manager: Harold Torres	Telephone Number: 562-658-0231	

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

HIGHWAY/RAIL UTILITY 2 PERSON SINGLE BUCKET TRUCK

A. Background on Contractor

Terex Utilities dba Pacific Utility Equipment Company is based in Ontario, California, and has been in business since 1945. Terex manufactures a broad range of equipment for use in various industries, including the construction, infrastructure, quarrying, recycling, surface mining, and shipping, transportation, refining, utility and maintenance industries. Terex has been providing Aerial Lift, Crane and Utility equipment to various companies and government agencies including the City of Los Angeles, Los Angeles Department of Water and Power, State of California Department of Transportation and Southern California Edison. In the past, Terex Utilities has provided satisfactory service to Metro.

B. Procurement Background

Invitation for Bid (IFB) No. OP34341663 was released on March 9, 2005 and advertised on March 18, 2005. The bid deadline was April 19, 2005. One firm, Terex Utilities submitted a bid prior to the stated deadline.

The Diversity & Economic Opportunity Department (DEOD) did not recommend a DBE goal for this procurement. Based on industry practice, the Prime (Terex Utilities) is expected to complete the entire scope with its own workforce. However, pursuant to the DBE Program, if Terex Utilities utilizes the services of subcontractors, they are expected to afford maximum opportunities to DBE firms in all subcontracting and supply services areas throughout the life of the contract.

C. Evaluation of Proposals

The solicitation is in compliance with Procurement policies and procedures and Terex Utilities was found in full compliance to the technical and the bid specifications.

Staff inquiries of the other potential firms indicated that the firms could not meet the requirements of the Technical Specifications in a cost effective manner.

D. Cost/Price Analysis

The recommended unit price has been determined to be fair and reasonable based upon Metro estimate and a price analysis conducted by staff, comparing product pricing with recent, similar sales to the City of Glendale, City of Poway and Santa Barbara County. Both Metro and the supplier anticipated there would be more than one acceptable bid submitted, based on pre-bid market research. Pricing reflects this anticipated competition.

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

HIGHWAY/RAIL UTILITY 2 PERSON SINGLE BUCKET TRUCK

PRIME CONTRACTOR – Terex Utilities

Small Business Commitment

N/A

Total Commitment 0.0%

Other Subcontractors

N/A