



**Metro**

Metropolitan Transportation Authority

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**37**

**OPERATIONS COMMITTEE  
NOVEMBER 16, 2006**

**SUBJECT: MASTER CONTROLLERS FOR METRO RED LINE CARS**

**ACTION: AWARD CONTRACT FOR UPGRADE OF MASTER CONTROLLERS FOR METRO RED LINE CARS**

**RECOMMENDATION**

Authorize the Chief Executive Officer to award a firm fixed price requirements contract under Bid Number 07-0001 with American Transit Associates, the only responsive and responsible bidder to upgrade 100 Master Controllers including spares for the Metro Red Line fleet for an amount not to exceed \$301,688.

**RATIONALE**

Each Metro Red Line car has a master controller located in the driver's cab. The controller is designed to have unique intelligence for trains controlling all operations of the rail vehicles including accelerating, braking, coasting and reversing. A Metro Red Line car cannot operate in service if the Master Controller fails.

The original master controllers have been utilized on Metro Red Line cars for ten years, and as a result, they have begun failing at an increasing rate. To ensure uninterrupted revenue service, the master controllers must be upgraded.

Upgrades will include the replacement of parts that have begun to fail including the handle pin and shaft assembly, the replacement of worn gears, cleaning and repairing circuit boards, the addition of a fuse in the event of an electrical short and replacement of the master controller cover to protect internal contacts.

Since the contract to be awarded is a "requirements type" agreement up to the specified quantity for an unspecified duration of time there is no obligation on the part of Metro to upgrade any or all of the master controllers. The bid quantities are estimates only, with services and deliveries to be ordered and released as required. Master controllers will be upgraded and maintained in inventory and managed by Material Management.

## **FINANCIAL IMPACT**

The funding of \$84,000 for this service is included in the FY07 budget under Cost Center 3942 Red Line Fleet Services, Project Number 300044, Account Number 50441 Revenue Vehicle Parts. Since this is a multi-year contract, the cost center manager and Deputy Chief Executive Officer will be accountable for budgeting the cost in future years.

In FY06, \$30,648 was expended on this service.

## **ALTERNATIVES CONSIDERED**

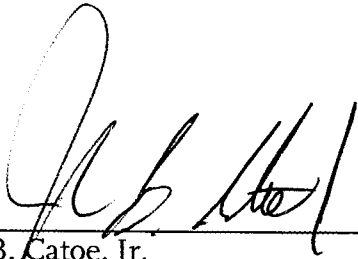
One alternative would be to not upgrade the machinery and continue operating the Metro Red Line cars with the existing controllers. This option is not recommended since it does not provide for uninterrupted service for the Metro Red Line.

The second alternative is to purchase 100 new Master Controllers for the Metro Red Line cars at an estimated cost of \$1,050,000 on the open market. This option is not recommended since it is more cost effective to upgrade the existing controllers at a substantially lower cost.

## **ATTACHMENTS**

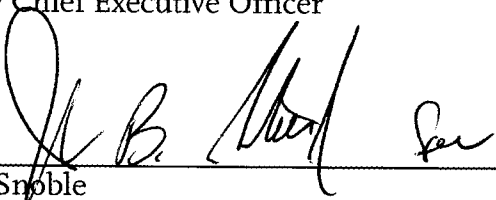
- A Procurement Summary
- A-1 Procurement History
- A-2 List of Subcontractors
- B Bid Tabulation

Prepared By: Dave Kubicek, Deputy Executive Officer, Rail Operations  
Richard Bachman, Contract Administration Manager



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John B. Catoe, Jr.  
Deputy Chief Executive Officer



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Roger Snoble  
Chief Executive Officer

**BOARD REPORT ATTACHMENT A  
PROCUREMENT SUMMARY**

**UPGRADE MASTER CONTROLLERS**

1.	Contract Number: 07-0001		
2.	Recommended Vendor: American Transit Associates		
3.	Cost/Price Analysis Information:		
	1. Bid/Proposed Price: \$301,688	Estimated Amount: \$306,000	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Price		
5.	Procurement Dates:		
	A. Issued: 8-16-06		
	B. Advertised: 8-16-06		
	C. Pre-bid Conference: N/A		
	D. Proposals/Bids Due: Technical Proposals 9-12-06 Pricing 10-16-06		
	E. Pre-Qualification Completed: Yes		
	F. Conflict of Interest Form Submitted to Ethics: Yes		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: No goal recommended	Date Small Business Evaluation Completed: N/A	
	Small Business Commitment: No goal recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 9	Bids/Proposals Picked up: 3	Bids/Proposals Received: 1
8.	Evaluation Information:		
	A. <u>Bidders/Proposers Names:</u>  American Transit Associates	<u>Bid/Proposal Amount:</u>  \$301,688	<u>Best and Final Offer Amount:</u>  N/A
	B. Evaluation Methodology: Qualifications and Cost Analysis		
9.	Protest Information:		
	A. Protest Period End Date: 11-23-06		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10	Contract Administrator: Richard Bachman	Telephone Number: 213/922-1016	
11	Project Manager: Nick Madanat	Telephone Number: 213/922-3163	

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

**UPGRADE MASTER CONTROLLERS**

**A. Background on Contractor**

American Transit Associates has provided engineering and manufacturing services to the Mass/Rapid Transit Industry and commercial markets for over 20 years. Services have been provided to New York City Transit, Atlanta MARTA, Washington Metro WMATA, and Philadelphia Transit SEPTA. American Transit Associates has not provided products or services to Metro in the past.

**B. Procurement Background**

On November 17, 2005, Metro's Board of Directors authorized staff to enter into a single source contract with Transmed Systems to perform the overhaul and upgrade of Master Controllers for the Red Line fleet. Metro was unable to proceed with the award or execute a contract because Transmed Systems, on several attempts, failed to provide first articles that were in accordance with Metro's technical requirements.

Consequently, on August 14, 2006 Metro issued a 2-step procurement under IFB 07-0001 to try and identify potential sources that would be able to perform the services required. Under the 2-step procurement process, Metro has the flexibility to work with any potential suppliers that have the resources, experience, and engineering capability to perform the work.

As a result of this solicitation, American Transit Associates expressed interest in working with Metro to upgrade the Master Controllers in accordance with Metro's requirements including redesign and manufacture of the controller handle which has a history of high failure rate.

The Diversity and Economic Opportunity Department did not recommend a Disadvantaged Business Enterprise (DBE) participation goal for this procurement.

**C. Evaluation Criteria**

American Transit Associates was the single bidder and in compliance with the technical requirements and the terms and conditions of the bid.

**D. Cost/Price Analysis Explanation of Variances**

The recommended price has been determined to be fair and reasonable based on price analysis which compared the bid price to historical pricing.

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

**UPGRADE MASTER CONTROLLERS**

**PRIME CONTRACTOR – American Transit Associates**

**Small Business Commitment**

**Other Subcontractors**

N/A

N/A

Total Commitment      0.0%

Bids Out: 08/14/06 Total 9  
 Bids Opened: 10/16/06 Total 1  
 Advertisement Date(s): 08/14/06  
 Newspaper: Daily News

Item No.	Description	Qty	Unit	Unit Price	Total Price
1	Upgrade 100 Master Controllers	100	ea	\$3,016.88	\$301,688.00
<b>Total Bid Price</b>					<b>\$301,688.00</b>

I hereby certify American Transit Assoc as being the lowest responsive, responsible bidder and recommend the award to them for total price, excluding sales tax, of \$ 301,688.00.

10/27/06  
Date

Richard A. Beckman  
Signature

