



**Metro**

Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

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**OPERATIONS COMMITTEE  
JULY 19, 2007**

**SUBJECT: BID NO. 07-0007, WHEEL PRESS WORK**

**ACTION: AWARD A CONTRACT FOR WHEEL PRESS WORK**

**RECOMMENDATION**

Authorize the Chief Executive Officer to award a 36-month, firm fixed-price, indefinite quantity contract under Bid No. 07-0007 with Pamco Machine Works Inc., the lowest responsive and responsible bidder, to provide wheel, gear box, brake disc and wheel bearing pressing services for an amount not-to-exceed \$547,080 inclusive of sales tax and two one-year options, effective August 1, 2007.

**RATIONALE**

Wheel and axle presswork is required to support the gear box repair/maintenance program, and the ongoing Light Rail Vehicle (LRV) truck rebuild. In order to remove the gearbox for repair and servicing, it is necessary to remove and re-assemble the wheel, journal bearing, and associated equipment from the rail car truck assembly axle. These services are essential to ensure that wheel and axle performance is in accordance with the LRV manufacturer's performance criteria which will allow Metro to continue to provide its passengers with safe, reliable rail service.

Metro does not have the equipment needed to perform this function for light rail vehicles since it was never part of the maintenance plan to perform such work in house.

**FINANCIAL IMPACT**

The funding of \$183,000 for these services is included in the FY08 budget in cost center numbers 3941, 3943, 3944, Metro Blue/Green/Gold Lines under project numbers 300022, 300033, 300055, Metro Blue, Green and Gold Lines.

Since this is a multi-year contract, the cost center managers and Interim Chief Operations Officer will be accountable for budgeting the cost in future years, including any option exercised. In FY07, \$41,739 was expended on this category.

## **ALTERNATIVES CONSIDERED**

The alternative to perform the work in house is not recommended because this would require a large capital investment in equipment. In addition, this alternative would require that staff be hired and trained to perform the processes.

## **ATTACHMENTS**

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

Prepared by: Nizar Madanat, Senior Engineer  
Richard Bachman, Contract Administration Manager

*Carolyn Flowers*

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Carolyn Flowers  
Interim Chief Operations Officer

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Roger Snoble  
Chief Executive Officer

**BOARD REPORT ATTACHMENT A  
PROCUREMENT SUMMARY**

**WHEEL PRESS WORK**

|     |  |  |  |
|-----|--|--|--|
| 1.  | Contract Number: 07-0007   |  |  |
| 2.  | Recommended Vendor: Pamco Machine Works, Inc.  |  |  |
| 3.  | Cost/Price Analysis Information:   |  |  |
|     | A. Bid/Proposed Price:<br>\$547,080  | Recommended Price:<br>\$547,080  |  |
|     | B. Details of Significant Variances are in Attachment A-1.D  |  |  |
| 4.  | Contract Type: Fixed Price, Indefinite Quantity  |  |  |
| 5.  | Procurement Dates:   |  |  |
|     | A. Issued: April 20, 2007  |  |  |
|     | B. Advertised: April 24, 2007  |  |  |
|     | C. Pre-bid Conference: N/A   |  |  |
|     | D. Bids Due: May 25, 2007  |  |  |
|     | E. Pre-Qualification Completed: Yes  |  |  |
|     | F. Conflict of Interest Form Submitted to Ethics: June 5, 2007   |  |  |
| 6.  | Small Business Participation:  |  |  |
|     | A. Bid/Proposal Goal:<br>0%  | Date Small Business Evaluation Completed:<br>N/A                           |  |
|     | B. Small Business Commitment: N/A  |  |  |
| 7.  | Invitation for Bid/Request for Proposal Data:  |  |  |
|     | Notifications Sent:<br>25  | Bids/Proposals Picked<br>up: 9   | Bids/Proposals Received:<br>3                  |
| 8.  | Evaluation Information:  |  |  |
|     | A. <u>Bidders/Proposers Names:</u><br><br>Powers Brothers Machine, Inc.<br>Pamco Machine Works, Inc.<br>Penn Machine Co. | <u>Bid/Proposal Amount:</u><br><br>\$ 422,910<br>\$ 547,080<br>\$1,629,997 | <u>Best and Final Offer Amount:</u><br><br>N/A |
|     | 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 24, 2007  |  |  |
|     | B. Protest Receipt Date: TBD   |  |  |
|     | C. Disposition of Protest Date: TBD  |  |  |
| 10. | Contract Administrator:<br>Otto Ojong  | Telephone Number:<br>213-922-1454  |  |
| 11. | Project Manager:<br>Nizar Madanat  | Telephone Number:<br>213-922-3163  |  |

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

**WHEEL PRESS WORK**

**A. Background on Contractor**

Pamco Machine Works, Inc. is based in Monrovia, California, and has been in business since 1967. Pamco Machine Works, Inc. is a complete, large-capacity machine shop specializing in various types of industrial repair, fabrication and machining services. Pamco Machine Works, Inc. provides services to various companies and government agencies including Santa Clara Valley Transit Authority, Dow Chemical, and Pepsico/Frito Lay. In the past, Pamco has provided satisfactory service to Metro.

**B. Procurement Background**

Invitation for Bid (IFB) No. 07-0007 was released on April 20, 2007 and advertised on April 24, 2007. The bid deadline was May 25, 2007. Three firms submitted bids prior to the stated deadline.

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

**C. Evaluation of Proposals**

In accordance with Metro Procurement Policies and Procedures, staff performed a thorough evaluation and it was determined that the low bidder, Power Brothers Machine Shop, did not have the resources, equipment or quality standards necessary to ensure safe and reliable wheel pressing services.

Pamco Machine Works, Inc., the lowest responsive and responsible bidder was found to be in full compliance with the bid specifications.

**D. Cost/Price Analysis**

The recommended bid price of \$547,080 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**

**WHEEL PRESS WORK**

**PRIME CONTRACTOR – Pamco Machine Works, Inc.**

**Small Business Commitment**

**Other Subcontractors**

N/A

N/A

**Total Commitment 0.0%**

**BOARD REPORT ATTACHMENT B  
BID TABULATION**

**WHEEL PRESS WORK**

Bids Out: 04/20/07 Total 2  
 Bids Opened: 05/25/07 Total 3  
 Advertisement Date(s): 04/24/07  
 Newspaper: Daily News, La Opinion and  
 L.A. Watts Times

| Item No.                      | Description                    | Est. Qty | Unit | Powers Bros. Machine |              | Pamco      |              | Penn Machine Co. |              |
|-------------------------------|--------------------------------|----------|------|----------------------|--------------|------------|--------------|------------------|--------------|
|                               |                                |          |      | Unit Price           | Total Price  | Unit Price | Total Price  | Unit Price       | Total Price  |
| BASE 12 MONTH                 |                                |          |      |                      |              |            |              |                  |              |
| 1                             | Axle Replacement Pressing      | 7        | EA   | \$1,134.00           | \$7,938.00   | \$1,850.00 | \$12,950.00  | \$4,190.00       | \$29,330.00  |
| 2                             | Wheel Machining (Back to Back) | 13       | EA   | \$1,314.00           | \$17,082.00  | \$650.00   | \$8,450.00   | \$384.00         | \$4,992.00   |
| 3                             | "C" Center Axle                | 20       | EA   | \$954.00             | \$19,080.00  | \$1,080.00 | \$21,600.00  | \$3,220.00       | \$64,400.00  |
| 4                             | "M" Motor Axle                 | 100      | EA   | \$954.00             | \$95,400.00  | \$1,368.00 | \$136,800.00 | \$4,190.00       | \$419,000.00 |
| BASE 12 MONTH Total Bid Price |                                |          |      |                      | \$139,500.00 |            | \$179,800.00 |                  | \$517,722.00 |
| FIRST YEAR OPTION             |                                |          |      |                      |              |            |              |                  |              |
| 1                             | Axle Replacement Pressing      | 7        | EA   | \$1,134.00           | \$7,938.00   | \$1,850.00 | \$12,950.00  | \$4,400.00       | \$30,800.00  |
| 2                             | Wheel Machining (Back to Back) | 13       | EA   | \$1,314.00           | \$17,082.00  | \$650.00   | \$8,450.00   | \$405.00         | \$5,265.00   |
| 3                             | "C" Center Axle                | 20       | EA   | \$954.00             | \$19,080.00  | \$1,080.00 | \$21,600.00  | \$3,380.00       | \$67,600.00  |
| 4                             | "M" Motor Axle                 | 100      | EA   | \$954.00             | \$95,400.00  | \$1,368.00 | \$136,800.00 | \$4,400.00       | \$440,000.00 |
| FIRST YEAR OPTION TOTAL       |                                |          |      |                      | \$139,500.00 |            | \$179,800.00 |                  | \$543,665.00 |
| SECOND YEAR OPTION            |                                |          |      |                      |              |            |              |                  |              |
| 1                             | Axle Replacement Pressing      | 6        | EA   | \$1,168.00           | \$7,008.00   | \$1,942.00 | \$11,652.00  | \$4,620.00       | \$27,720.00  |

|                          |                                   |     |    |            |              |            |              |            |                |
|--------------------------|-----------------------------------|-----|----|------------|--------------|------------|--------------|------------|----------------|
| 2                        | Wheel Machining<br>(Back to Back) | 14  | EA | \$1,353.00 | \$18,942.00  | \$682.00   | \$9,548.00   | \$435.00   | \$6,090.00     |
| 3                        | "C" Center Axle                   | 20  | EA | \$983.00   | \$19,660.00  | \$1,134.00 | \$22,680.00  | \$3,640.00 | \$72,800.00    |
| 4                        | "M" Motor Axle                    | 100 | EA | \$983.00   | \$98,300.00  | \$1,436.00 | \$143,600.00 | \$4,620.00 | \$462,000.00   |
| SECOND YEAR OPTION TOTAL |                                   |     |    |            | \$143,910.00 |            | \$187,480.00 |            | \$568,610.00   |
| GRAND TOTAL              |                                   |     |    |            | \$422,910.00 |            | \$547,080.00 |            | \$1,629,997.00 |
|                          |                                   |     |    |            | 0            |            | 0            |            | 0              |

I hereby certify Pamco Machine Works, Inc. as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$547,080.

6/26/07

Date

*JA Bachman*

Signature