



**OPERATIONS COMMITTEE
JULY 19, 2007**

SUBJECT: RADIATOR ASSEMBLIES

ACTION: AWARD A CONTRACT FOR RADIATOR ASSEMBLIES

RECOMMENDATION

Authorize the Chief Executive Officer to award a firm fixed-price contract under Bid No. 07-0008 with Diesel Radiator Co., the lowest responsive and responsible bidder for three-hundred sixty-eight radiator assemblies for an amount not to exceed \$970,270, inclusive of sales tax.

RATIONALE

In March 2007, the Board authorized the purchase of 400 Cummins ISL G Natural Gas Engines as replacement for the Detroit Diesel Series 50 engines that are no longer available and to support the Bus Midlife and Replacement programs. As part of the ongoing project to re-power 400 buses by replacing the engines, it is also necessary to replace the existing radiators. The radiators covered under this procurement were specially designed to fit within the confines of the existing engine compartment, and ensure the new engine cooling requirements are met.

These new radiators will be installed in the 40' New Flyer High Floor 5000 series and New Flyer Low Floor 5300 series buses.

A separate procurement will be issued for new radiators to be compatible with new engines that are programmed to be installed in the Neoplan 6700 series buses.

FINANCIAL IMPACT

The funding of \$970,270 for this procurement is included in the FY08 budget in cost centers 3441, Power Plant, and 3442, Repair and Refurbish, under Capital Projects 203005, Bus Midlife Rebuild Program and CP 203015, FY08 RRC Bus Engine Replacement.

In FY07, no funds were expended on this type radiator.

ALTERNATIVES CONSIDERED

The alternative is to not award a contract for these new radiators. This strategy is not recommended because of the impact to proceeding with the bus engine replacement and mid-life programs.

ATTACHMENTS

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

Prepared by: John Petres, Equipment Maintenance Manager
Richard Bachman, Contract Administration Manager

Carolyn Flowers

Carolyn Flowers
Interim Chief Operations Officer

Roger Snoble

Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

RADIATOR ASSEMBLIES

1.	Contract Number: 07-0008		
2.	Recommended Vendor: Diesel Radiator Co.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$970,270	Recommended Price: \$970,270	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: April 19, 2007		
	B. Advertised: April 24, 2007		
	C. Pre-bid Conference: N/A		
	D. Bids Due: May 8, 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: 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	Bids/Proposals Picked up: 3	Bids/Proposals Received: 1
8.	Evaluation Information:		
	A. <u>Bidders/Proposers Names:</u> Diesel Radiator Co.	<u>Bid/Proposal Amount:</u> \$970,270	<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 24, 2007		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Otto Ojong	Telephone Number: 213-922-1454	
11.	Project Manager: John Petres	Telephone Number: 213-922-5743	

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

RADIATOR ASSEMBLIES

A. Background on Contractor

Diesel Radiator Co. is based in Melrose Park, Illinois, and has been in business since 1970. Diesel Radiator builds radiator assemblies and component parts for virtually any diesel engine application, including transportation, power generation, construction, agricultural, compressed air, military, marine, and industrial equipment. Diesel Radiator is one of the leading radiator and charge air cooler manufacturers for the Transit Industry, Power Generation and OEM markets. Diesel Radiator has been providing radiator assemblies to various companies and government agencies including the New York MTA, NJ Transit, SEPTA, WMATA and Metro.

B. Procurement Background

Invitation for Bid (IFB) No. 07-0008 was released on April 19, 2007 and advertised on April 24, 2007. The bid deadline was May 8, 2007. One firm submitted a bid prior to the stated deadline.

This procurement was conducted as a Two-Step Sealed Bid process. Step One consists of the request for submission, evaluation and discussion of a technical proposal. The objective is to determine the acceptability of the system being proposed. A Proposal Evaluation Committee was established to evaluate the proposals to determine acceptability. Step Two involves the submission of sealed price bids by those companies which were determined by the Committee to have submitted acceptable technical proposals. Recommendation for award is then made to the lowest priced, responsive, responsible bidder.

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

C. Evaluation of Proposals

The solicitation is in compliance with Metro Procurement policies and procedures.

The Proposal Evaluation Committee conducted a comprehensive evaluation of the technical proposal in accordance with the evaluation criteria contained in the Invitation for Bid (IFB). One technical proposal was received and presented to the

Committee for evaluation. The proposal was deemed acceptable and Diesel Radiator price bid was determined to be responsive, responsible, and in full compliance to the bid requirements.

D. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon a price/cost analysis conducted by staff and Metro's Independent Cost Estimate. Both Metro and the supplier anticipated there would be more than one acceptable proposal submitted, based on pre-solicitation market research. Pricing reflects this anticipated competition.

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

RADIATOR ASSEMBLIES

PRIME CONTRACTOR – Diesel Radiator Co.

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0.0%

**BOARD REPORT ATTACHMENT B
 BID TABULATION
 RADIATOR ASSEMBLIES**

Bids Out: 04/19/07 Total 3
 Bids Opened: 05/08/07 Total 1
 Advertisement Date(s): 04/24/07
 Newspaper: Daily News, L.A. Watts Times,
 Chinese Daily News and La Opinion

				Diesel Radiator Co.	
Item No.	Description	Qty	Unit	Unit Price	Total Price
1	Radiator Assembly for Neoplan	61	EA	\$2,288.00	\$139,568.00
2	Radiator Assembly for New Flyer HF	227	EA	\$2,465.00	\$559,555.00
3	Radiator Assembly for New Flyer LF	80	EA	\$2,465.00	\$197,200.00
Sub Total					\$896,323.00
Sales Tax 8.25%					\$73,946.65
Total Bid					\$970,269.65

I hereby certify Diesel Radiator Co. as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$970,269.65.

Date 6/26/07 Signature 