## Metro

## OPERATIONS COMMITTEE OCTOBER 16, 2008

## SUBJECT: UNION SWITCH \& SIGNAL RAIL PARTS

## ACTION: AWARD A CONTRACT FOR P2550 RAIL PARTS

## RECOMMENDATION

Authorize the Chief Executive Officer to award a firm fixed price contract under Bid No. 090003 with Union Switch \& Signal, Inc., the single bidder for Automatic Train Protection (ATP) and Train to Wayside Communication (TWC) spare parts for the P2550 Rail Car Fleet, for an amount not to exceed $\$ 522,476$.

## RATIONALE

This procurement is for contractual spare parts for the ATP/TWC system on the P2550 Ansaldobreda Light Rail vehicle. The ATP/TWC package serves as the electronic safety/protection system that is on every light rail car. The ATP provides speed enforcement and system safety for the Braking Propulsion Door Control and Vehicle Direction Control. The ATP also stops trains from running into each other from behind or head on, by electronically reducing the speed or stopping a train if it is within a certain distance from another train. It will also not allow the doors to open at the platform if the trains are not at their proper markers on the track of the platform. The TWC provides safe train separation and has the ability to control the performance levels of the train through the tracks, and also allows control from the Rail Operation Control facility.

This procurement will ensure that the required parts for the ATP/TWC package are available when necessary. The ATP/TWC components will be maintained in inventory and managed by Material Management.

## FINANCIAL IMPACT

Funding of \$522,476 for the P2550 ATP/TWC spare parts is included in the FY09 budget in Cost Center 3940 (Rail Fleet Services), CP 800151, Light Rail Vehicle Fleet Enhancement. This action is within the approved life-of-project (LOP) budget of $\$ 152,919,000$.

## ALTERNATIVES CONSIDERED

# The alternative is to not award a contract for the spare parts. This strategy is not recommended because of the possible impact to revenue service on the Metro Gold Line due to a lack of ATP/TWC parts. <br> <br> ATTACHMENT(S) 

 <br> <br> ATTACHMENT(S)}

A Procurement Summary
A-1 Procurement History
A-2 List of Subcontractors
B Bid Tabulation
$\begin{aligned} \text { Prepared by: } & \begin{array}{l}\text { Sherri Jackson, Procurement Planning Administrator } \\ \\ \text { Richard Lozano, Director Rail Vehicle Acquisition and Maintenance }\end{array}\end{aligned}$


## ATTACHMENT A PROCUREMENT SUMMARY

## ATP/TWC SPARE PARTS

| 1. | Contract Number: 09-0003 |  |  |
| :---: | :---: | :---: | :---: |
| 2. | Recommended Vendor: Union Switch \& Signal, Inc. |  |  |
| 3. | Cost/Price Analysis Information: |  |  |
|  | A. Bid/Proposed Price: $\$ 522,476$ | Recommended Price:$\$ 522,476$ |  |
|  | B. Details of Significant Variances are in Attachment A-1.D |  |  |
| 4. | Contract Type: Firm Fixed Price |  |  |
| 5. | Procurement Dates: |  |  |
|  | A. Issued: July 28,2008 |  |  |
|  | B. Advertised: July 26, 2008 |  |  |
|  | C. Pre-bid Conference: N/A |  |  |
|  | D. Bids Due: August 26, 2008 |  |  |
|  | E. Pre-Qualification Completed: Yes |  |  |
|  | F. Conflict of Interest Form Submitted to Ethics: Yes |  |  |
| 6. | Small Business Participation: |  |  |
|  | A. Bid/Proposal Goal: 0\% | Date Small Business Evaluation Completed:$\mathrm{N} / \mathrm{A}$ |  |
|  | B. Small Business Commitment: N/A |  |  |
| 7. | Invitation for Bid/Request for Proposal Data: |  |  |
|  | Notifications Sent: <br> 2 Bids/Proposals Picked <br> up: |  | Bids/Proposals Received: 1 |
| 8. | Evaluation Information: |  |  |
|  | A. Bidders/Proposers Names: Union Switch \& Signal, Inc. | Bid/Proposal Amount: $\$ 522,476$ | Best and Final Offer Amount: NA |
|  | B. Evaluation Methodology: Price Analysis Attachment A-1.D |  |  |
| 9. | Protest Information: |  |  |
|  | A. Protest Period End Date: October 16, 2008 |  |  |
|  | B. Protest Receipt Date: TBD |  |  |
|  | C. Disposition of Protest Date: TBD |  |  |
| 10. | Contract Administrator: Telephone Number: <br> Sherri Jackson $213-922-1025$ |  |  |
| 11. | Project Manager: Richard Lozano | Telephone Number:323-224-4058 |  |

## ATTACHMENT A-1

PROCUREMENT HISTORY

## ATP/TWC SPARE PARTS

## A. Background on Contractor

Union Switch \& Signal, Inc. (US\&S) was founded in 1881 by George Westinghouse, who consolidated the assets of companies that had pioneered closed track circuits and interlockings. Operating as an independent company until 1917, US\&S became a subsidiary of Westinghouse Air Brake. In 1968, American Standard purchased the operation and reorganized US\&S as a separate division. In 1988, Ansaldo purchased US\&S from American Standard. In November 1993, US\&S became a publicly traded company. In December 1996, US\&S merged with the other signaling investments of Ansaldo located around the world, causing US\&S to be a wholly-owned subsidiary of Ansaldo Signal, a global supplier of signaling, control and automation systems with operations worldwide.

Union Switch \&Signal, Inc. has developed signaling and control technologies for railroad and transit systems in North America and worldwide by applying automation and information technologies to a future of "smart" trains run by their computerized control systems, providing automated and fully integrated operations control.

## B. Procurement Background

Invitation for Bid (IFB) No. 09-0003 was advertised on July 26, 2008 and released on July 28, 2008. The bid deadline was August 26, 2008. In addition to newspaper advertising, five bidders requested and received the IFB solicitation package. Union Switch and Signal, Inc. was the only firm to submit a bid.

The Diversity \& Economic Opportunity Department (DEOD) did not recommend a Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) goal for this procurement.

## C. Evaluation of Bids

In accordance with our Procurement Policy Manual, staff performed an evaluation of the bid that was received. Union Switch \& Signal, Inc.'s bid was found to be in full compliance with the bid requirements.

## D. Cost/Price Analysis

The recommended not to exceed bid amount of $\$ 522,476$ is the result of an open competitive bid process, and the bidder prepared its bid in expectation of adequate price competition. Based on the pre-solicitation market research, we anticipated more than one acceptable bid submittal.

Union Switch and Signal, Inc.'s price in the total amount of $\$ 522,476$ is determined to be fair and reasonable based on price analysis. Price analysis compared the bid price to the rail car manufacturer's prices identified on the original spare parts list. Buying direct from Union Switch and Signal, Inc. will result in a cost savings of \$305,760.

# ATTACHMENT A-2 <br> LIST OF SUBCONTRACTORS <br> ATP/TWC SPARE PARTS 

PRIME CONTRACTOR - Union Switch and Signal, Inc.

| Small Business Commitment | Other Subcontractors |
| :--- | :--- |
| N/A | N/A |

Total Commitment $0.0 \%$

Bids Out: $\quad \underline{07 / 28 / 08}$ Total $\underline{5}$
Bids Opened: $\underline{08 / 26 / 08}$ Total 1
No Bid: No Bid:

Advertisement Date(s): 07/26/08
Advertisement Date(s): $07 / 26 / 08$
Newspaper: Daily News
Bid No: 09-0003 USS Spare Parts
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
No.



I hereby certily nion Suaten \& Siqnal, as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of $\$ 522,47560$

