



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE  
FEBRUARY 21, 2008**

**SUBJECT: HYBRID SEDANS FOR NON-REVENUE FLEET**

**ACTION: AUTHORITY TO AWARD**

**RECOMMENDATION**

Authorize the Chief Executive Officer to award a firm fixed price contract under Bid No. OP34342116 with Carson Toyota, the lowest responsive and responsible bidder for 142 hybrid sedans for a firm fixed price of \$3,751,440 inclusive of sales tax.

**RATIONALE**

The Non-Revenue Department has a requirement for 142 hybrid sedans (Toyota Camry or approved equal) for the replacement of current vehicles assigned to the Operator Relief fleet. These vehicles are used to support the changing of bus drivers while the bus remains on its scheduled line and run. These sedans are also used as support vehicles for operations support activities. This is a daily requirement that is instrumental in supporting our core business. These vehicles replace an existing fleet that exceeds the Federal Transit Administration (FTA) replacement guidelines, as well as, our six-year/100,000 miles replacement model. When vehicles meet these guidelines, they are identified for replacement and disposed of through salvage per FTA requirements and Metro policy.

Staff completed a fuel savings analysis associated with purchase of these hybrids. Based on 100% city miles traveled, purchase of these hybrids will save the Agency approximately \$289,000 each year (See Attachment C).

**FINANCIAL IMPACT**

Funds for this action are included in the FY08 budget under Cost Center 3434, Non-Revenue Operations, under Project 208007, FY08 Bus System Replacement Non-Revenue Vehicles and line item 53106, Acquisition of Service Vehicle.

**ALTERNATIVES CONSIDERED**

An option considered is to not proceed with this procurement and continue using the vehicles in the current Operator Relief fleet. This is not recommended because the ages of the vehicles are a minimum of ten years old. Our current practice of investing mechanic labor and operating dollars on parts is far exceeding the value of these vehicles. Their

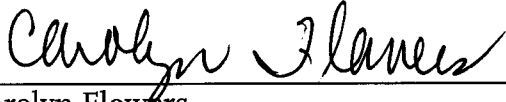
current market value is around \$1,200 and to keep them operationally we are installing engines and transmissions at a cost of \$1,000 to \$3,000 each.

A second option considered is to purchase non-hybrid vehicles. This option is not recommended as their overall fuel economy is very low, compared to hybrid, resulting in higher fuel cost per year and larger quantities of emission gases released into the atmosphere. Hybrid vehicles support our commitment to Metro's Energy & Sustainability Policy by controlling energy consumption and embracing energy efficiency and conservation.

**ATTACHMENT(S)**

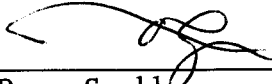
- A. Procurement Summary
- A-1. Procurement History
- A-2. List of Subcontractors
- B. Bid Tabulation
- C. Hybrid Vehicle Fuel Savings Analysis

Prepared by: Harold Torres, Asst. Equipment Maintenance Manager  
Amy Ly, Contract Administrator



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Carolyn Flowers  
Chief Operations Officer



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Roger Snoble  
Chief Executive Officer

**BOARD REPORT ATTACHMENT A  
PROCUREMENT SUMMARY**

**HYBRID SEDANS FOR NON-REVENUE FLEET**

1.	Contract Number: OP-3434-2116		
2.	Recommended Vendor: Carson Toyota		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$3,751,440	Recommended Price: \$3,751,440	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: November 19, 2007		
	B. Advertised: November 21, 2007		
	C. Pre-bid Conference: N/A		
	D. Bids Due: December 18, 2007		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: January 14, 2008		
6.	Small Business Participation:		
	A. Bid Goal: MBE: 0% / WBE: 0%	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid Data:		
	Notifications Sent: 24	Bids Picked up: 9	Bids Received: 4
8.	Evaluation Information: Lowest responsive, responsible bidder.		
	<b>A. Bidders Names:</b>	<b>Bid Amount:</b>	<b>Best and Final Offer Amount:</b>
	Cardinaleway Toyota	\$ 3,387,142.79	N/A
	Longo Toyota	\$ 3,715,689.70	
	Carson Toyota	\$ 3,751,440.35	
	Wondries Fleet Group	\$ 3,995,065.63	
	B. Evaluation Methodology: Lowest responsive, responsible bidder.		
9.	Protest Information:		
	A. Protest Period End Date: February 26, 2008		
	B. Protest Receipt Date: None		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Amy Ly	Telephone Number: 213-922-2632	
11.	Project Manager: Harold Torres	Telephone Number: 562-658-0231	

## BOARD REPORT ATTACHMENT A PROCUREMENT HISTORY

### HYBRID SEDANS

#### A. Background on Contractor

Carson Toyota, located in Carson, CA, has been in business for 33 years with 160 employees. Its principal business is automobile sales and services. Carson Toyota has been the successful bidder on previous Metro procurements. This contractor's performance on its previous Metro procurements was satisfactory.

#### B. Procurement Background

On November 19, 2007, we issued an Invitation for Bid (IFB) No. OP34342116 to supply hybrid sedans. Market research indicated that vehicles of the type we require are in very short supply due to strict allocation by the manufacturers and high demand, and that it was highly unlikely a single dealer could offer the full quantity. The IFB requested bidders to offer as many vehicles as they could and advised that award would be made, first to the low bidder, then to the next low until the full requirement was met, provided the prices were reasonable. Notwithstanding these provisions, we received four bids for the full quantity of 142 vehicles. After evaluation, it was determined that two apparent low bids are non-responsive. The low bid offered a Toyota Prius which was not an approved alternate and is too small for this application. The second low bid is non-responsive because it failed to offer an extended power train warranty as required by our specification.

IFB OP34342116 was conducted as a two-phase "brand name or approved equal" procurement. Phase I provided potential bidders the opportunity to submit their requests for approved equals to the brand named vehicles. One request to approve Saturn Aura model was received and denied after review because the alternate vehicle does not fully meet the salient characteristics required in our specification, primarily, fuel economy. In Phase II, sealed bids were due with four bids received.

The Diversity and Economic Opportunity Department (DEOD) did not recommend an MBE/WBE Voluntary Anticipated Level of Participation (VALP) goal for this procurement due to lack of subcontracting opportunities.

#### C. Evaluation Criteria

In accordance with our Procurement Policies and Procedures, Non-Revenue Operations of Quality Assurance Department performed a technical evaluation of the three lowest bids offering the specified hybrid vehicles in the full quantity of 142 vehicles. After evaluation, it was determined that two apparent low bids are non-responsive to our technical requirement. Cardinaleway Toyota offered a non-approved model vehicle.

Longo Toyota's bid failed to meet the power train warranty required by our specification. Carson Toyota was the lowest responsive responsible bidder.

**D. Cost/Price Analysis**

The recommended price of \$3,751,440 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**

**HYBRID SEDANS**

**PRIME CONTRACTOR**

Carson Toyota

**Small Business Commitment**

0%

**Other Subcontractors**

None

Total Commitment: 0%

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION**  
**Bid No: OP34342116 Hybrid Sedan Vehicles**

Bids Out: 11/19/07 Total 9  
 Bids Opened: 12/18/07 Total 4  
 Advertisement Date(s): 11/21/07  
 Newspaper: Daily News, and S. B. Sun

Item No.	Description	Qty	Unit	Cardinalway Toyota		Longo Toyota		Carson Toyota		Wondries Fleet Group	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Hybrid Powered Sedan Vehicle Spec. QA-08-13	142	EA	\$22,006.00	\$3,124,852.00	\$24,080.00	\$3,419,360.00	\$24,303.00	\$3,451,026.00	\$25,982.00	\$3,689,444.00
2	Price reduction due to Alternative Motor Vehicle Credit	142	EA		\$0.00		\$0.00		\$0.00		\$0.00
1a	Hybrid Powered Sedan Vehicle Spec. QA-08-13				\$0.00		\$0.00		\$0.00		\$0.00
2a	Price reduction due to Alternative Motor Vehicle Credit				\$0.00		\$0.00		\$0.00		\$0.00
3	Maintenance, Repair, Electrical Schematics and Parts Manuals	20	Set	\$150.00	\$3,000.00	\$600.00	\$12,000.00	\$668.00	\$13,360.00	Included	\$0.00
<b>Sub Total</b>					<b>\$3,127,852.00</b>		<b>\$3,431,360.00</b>		<b>\$3,464,386.00</b>		<b>\$3,689,444.00</b>
<b>Sales Tax 8.25%</b>					<b>\$258,047.79</b>		<b>\$283,087.20</b>		<b>\$285,811.85</b>		<b>\$304,379.13</b>
California Tire Fee					\$1,243.00		\$1,242.50		\$1,242.50		\$1,242.50
<b>Total Bid</b>					<b>\$3,387,142.79</b>		<b>\$3,715,689.70</b>		<b>\$3,751,440.35</b>		<b>\$3,995,065.63</b>

I hereby certify Carson Toyota as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$3,751,440.35.

1/16/08 Date  
Amy Ly Signature



<b>ANNUAL FUEL COST FOR ONE NON-HYBRID VEHICLE PONTIAC- DOMESTIC (NON-HYBRID VEHICLE)</b>	<b>CITY</b>
City Miles	18
Miles Per Year	25,200
Gallons Used	1,400
Estimated Fuel Cost Per Gallon	\$3.20
<b>Annual Cost</b>	<b>\$ 4,480.00</b>

<b>CAMRY- HYBRID</b>	<b>CITY</b>
City Miles	33
Miles Per Year	25,200
Gallons Used	764
Estimated Fuel Cost Per Gallon	\$3.20
<b>Annual Cost</b>	<b>\$ 2,443.64</b>

<b>ANNUAL SAVINGS FOR ONE HYBRID VEHICLE</b>	<b>CITY</b>
GALLONS SAVED (1,400 CITY NON-HYBRID - 764 CITY HYBRID)	636
Estimated Fuel Cost Per Gallon	\$3.20
<b>Fuel Savings</b>	<b>\$ 2,036.36</b>

<b>ANNUAL HYBRID FLEET SAVINGS- 142 HYBRIDS</b>	<b>CITY</b>
\$2036.36 City Savings * 142 Vehicles	\$289,163.12

