



Metro

Metropolitan Transportation Authority

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**OPERATIONS COMMITTEE
MARCH 20, 2008**

SUBJECT: P2000 TIRES

ACTION: AWARD CONTRACT FOR P2000 TIRES

RECOMMENDATION

Authorize the Chief Executive Officer to award a 24-month firm fixed-price contract under Bid No. 08-0005 with Siemens Transportation Systems, Inc., the lowest responsive, responsible bidder for 320 steel tires for an amount not to exceed \$459,200.

RATIONALE

This procurement of 320 steel tires is for the Metro Green/Gold Line Siemens Rail Cars. There are 52 vehicles of this type in service and each vehicle is equipped with 12 steel tires per vehicle. The steel tires ride on the rail and is the outside part of the wheel assembly. The tires are replaced when the mileage on the vehicles is between 290K to 325K miles and no longer meet the tolerance/size requirements. All the tires on each vehicle are changed at the same time so that the propulsion system is not adversely affected by wheels of various dimensions. The establishment of a 24-month contract for the supply of rail tires will ensure uninterrupted revenue service.

The tires under this procurement will be maintained under an Inventory Account and managed by Material Management. The Green and Gold Line operating divisions will maintain the tires in their stock room based on their individual consumption requirements. As the tires are issued, the cost center budget project numbers and accounts are charged.

FINANCIAL IMPACT

The funding of \$57,400 for tires is included in the FY08 budget in Rail cost centers 3943 (Green Line), and 3944 (Gold Line), rail maintenance/operations under project numbers 300033 (Green Line), and 300055(Gold Line), Line Item 50441. Since this is a multi-year contract, the cost center manager and Rail General Manager will be accountable for budgeting the cost in future fiscal years. In FY07, \$21,330 was expended on this product.

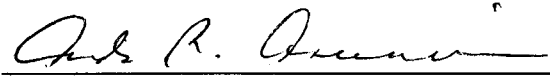
ALTERNATIVES CONSIDERED

The alternative is to not award a contract for the tires. This strategy is not recommended because of the possible impact to revenue service on the Metro Green/Gold Lines for lack of tires.


ATTACHMENTS

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

Prepared by: Sherri Jackson, Procurement Planning Administrator
George Kennedy, Director of Rail Vehicle Acquisition and Maintenance

for 

Mike Cannell
General Manager, Rail Operations



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

P2000 TIRES

1.	Contract Number: 08-0005		
2.	Recommended Vendor: Siemens Transportation Systems, Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$459,200	Recommended Price: \$459,200	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: October 4, 2007		
	B. Advertised: October 6, 2007		
	C. Pre-bid Conference: October 11, 2007		
	D. Bids Due: January 10, 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: N/A	
	B. Small Business Commitment: N/A		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 8	Bids/Proposals Picked up: 0	Bids/Proposals Received: 2
8.	Evaluation Information:		
	A. <u>Bidders/Proposers Names:</u> Siemens Transportation Systems, Inc. Penn Machine Company	<u>Bid/Proposal Amount:</u> \$459,200 \$460,800	<u>Best and Final Offer Amount:</u> N/A
	B. Evaluation Methodology: Competitive Bid- Price Analysis Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: March 25, 2008		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Sherri Jackson	Telephone Number: 213-922-1025	
11.	Project Manager: Cathy Kaminski	Telephone Number: 213-922-5743	

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

P2000 TIRES

A. Background on Contractor

Siemens Transportation Systems, Inc. is a division of the Siemens organization, which has a history spanning more than 150 years. Siemens is a highly successful global company, and is the world's largest supplier of products, systems, solutions and services for industrial automation. Siemens is the Original Equipment Manufacturer of the Green/Gold Line rail cars. Siemens Transportation Systems, Inc. has provided satisfactory service and products to this agency.

B. Procurement Background

Invitation for Bid No. 08-0005 was released on October 4, 2007 and advertised on October 6, 2007. The bid deadline was January 10, 2008. Two bids were received, Siemens Transportation Systems and Penn Machine Company.

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

C. Evaluation Criteria

Technical review and selection of the lowest responsive, responsible bidder.

Bidder #1 Siemens Transportation Systems, Inc. in the amount of \$459,200 is in full compliance to the technical and the bid specifications.

Bidder #2 Penn Machine Company in the amount of \$460,800 is in full compliance with the technical and bid requirements.

D. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive, responsible bidder.

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

P2000 TIRES

PRIME CONTRACTOR – Siemens Transportation Systems, Inc.

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0.0%

**BOARD REPORT ATTACHMENT B
 BID TABULATION**

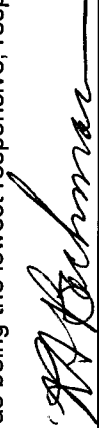
P2000 TIRES

Bids Out: 10/04/07 Total 8
 Bids Opened: 01/10/08 Total 2
 Advertisement Date(s): 10/06/07
 Newspaper: Daily News

Item No.	Description	Qty	Unit	Siemens Transportation Systems		Penn Machine Company	
				Unit Price	Total Price	Unit Price	Total Price
175978	Tires Class DHT, Siemens 2000, light rail vehicle	320	EA	\$1,435.00	\$459,200.00	\$1,440.00	\$460,800.00
Total Bid					\$459,200.00		\$460,800.00

I hereby certify Siemens Transportation System as being the lowest responsive, responsible bidder and recommend the award to them for total price, of \$459,200.

February 4, 2008
 Date


 Signature

