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**OPERATIONS COMMITTEE
APRIL 17, 2008**

SUBJECT: ENGINE COOLANT AND COOLANT WASTE RECYCLING SERVICE

**ACTION: AWARD CONTRACT FOR RECYCLED PREDILUTED ENGINE COOLANT
AND COOLANT WASTE RECYCLING SERVICE**

RECOMMENDATION

Authorize the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid Number 08-0009 to Asbury Environmental Services, the lowest responsive, responsible bidder for Recycled Pre-diluted Engine Coolant and Coolant Waste Recycling Service for an amount not to exceed \$1,415,065 inclusive of sales tax and two one-year options.

RATIONALE

The engine coolant under this procurement is needed to maintain and service the bus and non-revenue fleets. This engine coolant is used to operate in the bus and non-revenue vehicles as specified by the manufacturer and is changed out periodically in accordance with the engine manufacturer's preventive maintenance requirements. Our fleet of buses and non-revenue vehicles cannot function without it.

The Coolant Waste Recycling Service is required for the removal and transportation of approximately 90,000 gallons of used coolant that is accumulated in division storage tanks. The used coolant shall be transported by a licensed transporter to a Treatment, Storage and Disposal Facility where it will be recycled into new coolant. This service is necessary to comply with regulatory requirements and to ensure a safe working environment for our employees.

Engine Coolant purchased will be maintained in inventory and managed by Material Management. Each of the Service Sector operating divisions maintains Engine Coolant in its bulk tanks and stock room based on individual consumption requirements. As the coolant is issued, the appropriate Sector's budget project numbers and accounts are charged.

FINANCIAL IMPACT

The funding of \$62,892 for engine coolant is included in the balance of the FY08 budget in Cost Centers 3503, 3508, 3515, 3601, 3609, 3706, 3707, 3710, 3802, 3805, 3818, 3441, 3442,

and 3443 under project numbers 300011 to 305008, Bus Maintenance, Line item numbers 50406 and 50407. The waste recycling service is funded in Cost Center 3341 under project number 100030. Since this is a multi-year contract, the Cost Center Managers and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years. In FY07 \$321,674 was expended in this category.

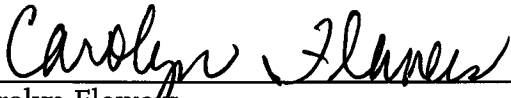
ALTERNATIVES CONSIDERED

The alternative is not to award the contract and continue to procure recycled pre-diluted engine coolant and coolant waste recycling service on an as-needed basis at a higher cost. This approach is not recommended since it does not provide a commitment from the suppliers or the manufacturer to ensure availability at a fixed price.

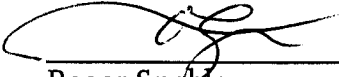
ATTACHMENTS

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

Prepared By: T. Allen, Procurement Planning Administrator
J. Roberts, Deputy Executive Officer, Operations



Carolyn Flowers
Chief Operations Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

**RECYCLED PRE-DILUTED ENGINE COOLANT
AND COOLANT WASTE RECYCLING SERVICE**

1.	Contract Number: 08-0009		
2.	Recommended Vendor: Asbury Environmental Services, 1300 South Santa Fe Avenue, Compton, CA 90221		
3.	Cost/Price Analysis Information:		
	1. Bid/Proposed Price: \$1,415,065	Estimated Amount: \$1,415,065	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Price		
5.	Procurement Dates:		
	A. Issued: 1/11/08		
	B. Advertised: 1/23/08		
	C. Pre-bid Conference: N/A		
	D. Proposals/Bids Due: 3/5/08		
	E. Pre-Qualification Completed: N/A		
	F. Conflict of Interest Form Submitted to Ethics: Yes		
6.	Small Business Participation: 0%		
	A. Bid/Proposal Goal: 0% No goal recommended	Date Small Business Evaluation Completed:	
	Small Business Commitment: No goal recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 18	Bids/Proposals Picked up: 18	Bids/Proposals Received: 3
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	<u>Best and Final Offer Amount:</u> N/A
	1. Asbury Environmental Svcs.	\$1,415,065.38	
	2. Patten Energy	\$2,278,833.87	
	3. Safety Kleen Systems Inc.	\$3,276,466.62	
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder.		
9.	Protest Information:		
	A. Protest Period End Date: 4/22/08		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Tanya Allen	Telephone Number: 213/922-1018	
11.	Project Manager: Cathy Kaminski, Mat. Mgr. James Jimenez – Quality Assurance	Telephone Number: 213/922-5713 213/922-5870	

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

**RECYCLED PREDILUTED ENGINE COOLANT
AND COOLANT WASTE RECYCLING SERVICE**

A. Background on Contractor

The firm recommended for award, Asbury Environmental Services, is located in Compton, California, and has been in the hazardous and non-hazardous waste management and transportation services business since 1939. Asbury also specializes in used oil, antifreeze and wastewater collection and recycling business. Asbury Environmental Services has provided coolant and recycling service to other agencies including the California Highway Patrol, the City of Los Angeles DWP, OCTA, and Department. of Defense. In the past, Asbury Environmental Service has provided us satisfactory service and delivery of engine coolant and waste recycling services.

B. Procurement Background

IFB 08-0009 for engine coolant was issued on January 11, 2008. Eighteen potential bidders received copies of the bid documents. Three bids were received and opened on March 5, 2008. The apparent low bidder, Asbury Environmental Services, was determined to be the lowest responsive, responsible bidder for this solicitation as set forth in Section C.

The Diversity and Economic Opportunity Department did not recommend a participation goal for this procurement.

C. Evaluation Criteria

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

Bidder #1 Asbury Environmental in the amount of \$1,415,065 is in full compliance to the technical and the bid specifications.

Bidder #2 Patten Energy in the amount of \$2,278,834 is in full compliance to the technical and the bid specifications.

Bidder #3 Safety Kleen Systems, Inc. in the amount of \$3,276,467 is non-responsive to the bid and technical specifications. Safety Kleen did not submit their product for qualification as an approved equal, did not sign their bid or submit the required bid forms and certifications.

D. Cost/Price Analysis Explanation of Variances

The recommended bid price of \$1,415,065 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**

**RECYCLED PREDILUTED ENGINE COOLANT
AND COOLANT WASTE RECYCLING SERVICE**

PRIME CONTRACTOR – Asbury Environmental Services

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0%

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: 080009
Recycled Pre-Diluted Engine Coolant And Waste Antifreeze Recycling Service

Bids Out: 01/11/08 Total 18
 Bids Opened: 03/05/08 Total 3
 Advertisement Date(s): 00/00/08
 Newspaper: Daily News

Item No.	Description	Qty	Unit	AES		Patten Energy		Safety-Kleen Systems, Inc.	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1st Year									
1	Recycled Pre-Diluted Engine Coolant	169,680	GL	\$2.30	\$390,264.00	\$3.50	\$593,880.00	\$5.80	\$984,144.00
2	Recycled Pre-Diluted Engine Coolant	78	DR	\$145.75	\$11,368.50	\$192.50	\$15,015.00	\$319.00	\$24,882.00
3	Coolant Waste Recycling Service	90,000	GL	\$0.30	\$27,000.00	\$0.30	\$27,000.00	NC	\$0.00
	Sub Total				\$428,632.50		\$635,895.00		\$1,009,026.00
	Sales Tax 8.25%				\$35,362.18		\$52,461.34		\$83,244.65
	Total 1st Year				\$463,994.68		\$688,356.34		\$1,092,270.65
OPTION YEAR 1									
1	Recycled Pre-Diluted Engine Coolant	169,680	GL	\$2.30	\$390,264.00	\$3.85	\$653,268.00	\$5.80	\$984,144.00
2	Recycled Pre-Diluted Engine Coolant	78	DR	\$145.75	\$11,368.50	\$211.75	\$16,516.50	\$319.00	\$24,882.00
3	Coolant Waste Recycling Service	90,000	GL	\$0.30	\$27,000.00	\$0.33	\$29,700.00	NC	\$0.00
	Sub Total				\$428,632.50		\$699,484.50		\$1,009,026.00
	Sales Tax 8.25%				\$35,362.18		\$57,707.47		\$83,244.65
	Option Year 1				\$463,994.68		\$757,191.97		\$1,092,270.65
OPTION YEAR 2									
1	Recycled Pre-Diluted Engine Coolant	169,680	GL	\$2.40	\$407,232.00	\$4.24	\$719,443.20	\$5.80	\$984,144.00
2	Recycled Pre-Diluted Engine Coolant	77	DR	\$145.75	\$11,222.75	\$232.93	\$17,935.61	\$319.00	\$24,563.00
3	Coolant Waste Recycling Service	90,000	GL	\$0.35	\$31,500.00	\$0.36	\$32,400.00	NC	\$0.00
	Sub Total				\$449,954.75		\$769,778.81		\$1,008,707.00
	Sales Tax 8.25%				\$37,121.27		\$63,506.75		\$83,218.33
	Option Year 2				\$487,076.02		\$833,285.56		\$1,091,925.33
	Grand Total (1st Year with Options)				\$1,415,065.38		\$2,278,833.87		\$3,276,466.62

I hereby certify Asbury Environmental Services as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$ 1,415,065.38.

3/21/08
Date

[Signature]
Signature

