



Metro

Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

30

**OPERATIONS COMMITTEE
SEPTEMBER 18, 2008**

SUBJECT: PULSE WIDTH STEPPER VALVES (PSV)

ACTION: AWARD CONTRACT FOR PSV VALVES

RECOMMENDATION

Authorize the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid Number 08-0020 to Muncie Transit Supply, the lowest responsive, responsible bidder for Bus Pulse Width Stepper (PSV) Valves for an amount not to exceed \$4,331,178, inclusive of sales tax and one-year option.

RATIONALE

The PSV Valve, an integral part of the natural gas Series 50G engine fueling system, controls fuel delivery to the engine. There are 933 North American Bus Industries buses with the Series 50 engine, and each engine is equipped with one PSV valve. This procurement will ensure that we have sufficient replacement PSV valves available to secure continuity of supply at the lowest cost during this contract period.

Since the contract to be awarded is a “requirement type” agreement up to the specified quantity for a specific duration of time, there is no obligation or commitment to order any or all of the PSV valves that may be required. The bid quantities are estimates only, with deliveries to be ordered and released as required.

The PSV valves will be maintained in inventory and managed by Material Management. Each of the Service Sector operating divisions will maintain PSV valves in their stock rooms based on their individual consumption requirements. As the PSV valves are issued, the appropriate Sector’s budget project numbers and accounts are charged.

FINANCIAL IMPACT

The funding of \$1,082,795 for PSV valves is included in the FY09 budget is under multiple bus operating cost centers and various operating projects under Line 50441, Parts – Revenue Vehicle. 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 FY08, a total amount of \$720,684 was expended on this category.

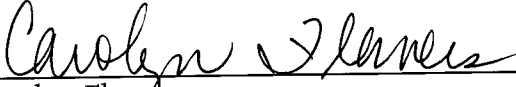
ALTERNATIVES CONSIDERED

The alternative is not to award the contract and continue to procure PSV valves on an as-needed basis. This approach is not recommended since it does not ensure a fixed price or provide a commitment from the supplier to guarantee availability in a timely and cost effective basis.

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**

PSV VALVES

1.	Contract Number: 08-0020		
2.	Recommended Vendor: Muncie Transit Supply		
3.	Cost/Price Analysis Information:		
	1. Bid/Proposed Price: \$ 4,331,178	Estimated Amount: \$4,331,178	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: 4/23/08		
	B. Advertised: 4/10/08		
	C. Pre-bid Conference: N/A		
	D. Proposals/Bids Due: 6/12/08		
	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: N/A	
	Small Business Commitment: No goal recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 20	Bids/Proposals Picked up: 20	Bids/Proposals Received: 4
8.	Evaluation Information:		
	A. Bidders/Proposers Names: Muncie Transit Supply Valley Power Systems, Inc. Hydraulic Component Supply, Inc. Gillig Corporation	<u>Bid/Proposal Amount:</u> \$4,331,178 \$4,349,052 \$4,434,651 \$4,502,479	<u>Best and Final Offer Amount:</u> N/A
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder.		
9.	Protest Information:		
	A. Protest Period End Date: 9/8/08		
	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	Telephone Number: 213/922-5713	

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

PSV VALVES

A. Background on Contractor

The responsive and responsible low bidder, Muncie Transit Supply is located in Muncie, IN and has been in the bus parts business, since 1953. Muncie Transit Supply has distributed parts to other agencies, including New York City Transit Authority, Memphis Area Transit Authority, and Transit Authority of River City. In the past, Muncie Transit Supply has provided us satisfactory service and delivery of transit parts.

B. Procurement Background

Evaluation of the four bids received was based on our approved manufacturer part numbers. All bids were found to be responsive to the bid terms and conditions and technical specifications.

The Diversity and Economic Opportunity Department did not recommend a Disadvantaged Anticipated Levels of Participation (DALP) participation goal for this procurement.

C. Evaluation Criteria

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

- | | |
|-----------|---|
| Bidder #1 | Muncie Transit Supply in the amount of \$4,331,178 is in full compliance to the technical and the bid specifications. |
| Bidder #2 | Hydraulic Electric Component Supply, Inc. in the amount of \$4,349,052 is in full compliance to the technical and the bid specifications. |
| Bidder #3 | Valley Power Systems, Inc. in the amount of \$4,434,651 is in full compliance to the technical and the bid specifications. |
| Bidder #4 | Gillig Corporation in the amount of \$4,502,479 is in full compliance to the technical and the bid specifications. |

D. Cost/Price Analysis Explanation of Variances

The recommended bid price of \$4,331,178 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder. Price savings based on historical figures is \$107,040.

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

PSV VALVES

PRIME CONTRACTOR – Muncie Transit Supply

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0%

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: 080020 Bus Pulse Width Stepper (PSV) Valves

Bids Out: 04/23/08 Total 20
 Bids Opened: 06/12/08 Total 4
 Advertisement Date(s): 04/10/08
 Newspaper: Daily News

Item No.	MTA Part No.	Approved MFG	Description	Qty	UM	Muncie Transit Supply		Hydraulic Electric Component Supply, Inc.		Valley Power Systems, Inc.		Gillig Corporation	
						Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
Pricing 24 Month													
1	137272	Woodward Governors	Valve-PSV Individually Boxed Only	1920	EA	\$1,366.50	\$2,623,680.00	\$1,395.00	\$2,678,400.00	\$1,376.57	\$2,643,014.40	\$1,420.88	\$2,728,089.60
			Sub Total				\$2,623,680.00		\$2,678,400.00		\$2,643,014.40		\$2,728,089.60
			Sales Tax 8.25%				\$216,453.60		\$220,968.00		\$218,048.69		\$225,067.39
			24 Month Total				\$2,840,133.60		\$2,899,368.00		\$2,861,063.09		\$2,953,156.99
Pricing Option 12 Month													
1	137272	Woodward Governors	Valve-PSV Individually Boxed Only	960	EA	\$1,434.80	\$1,377,408.00	\$1,395.00	\$1,339,200.00	\$1,514.23	\$1,453,660.80	\$1,490.88	\$1,431,244.80
			Sub Total				\$1,377,408.00		\$1,339,200.00		\$1,453,660.80		\$1,431,244.80
			Sales Tax 8.25%				\$113,636.16		\$110,484.00		\$119,927.02		\$118,077.70
			Option 12 Month Total				\$1,491,044.16		\$1,449,684.00		\$1,573,587.82		\$1,549,322.50
			GRAND TOTAL				\$4,331,177.76		\$4,349,052.00		\$4,434,650.90		\$4,502,479.49

I hereby certify Muncie Transit Supply as being the lowest responsive, responsible bidder and recommend the award to them for total price, excluding sales tax, of \$ 4,331,177.76

8/13/08
Date


Signature

