



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.9:  
metrc

**31**

**OPERATIONS COMMITTEE  
MARCH 19, 2009**

**SUBJECT: CONCENTRATED LIQUID BUS/RAIL WASH DETERGENT AND STORAGE TANKS**

**ACTION: AWARD CONTRACT FOR CONCENTRATED LIQUID BUS/RAIL WASH DETERGENT AND STORAGE TANKS**

**RECOMMENDATION**

Authorize the Chief Executive Officer to award a 60-month, firm fixed price contract under Bid Number 08-0022A to Acuity Specialty Products, Inc. dba Zep Sales and Service, Inc., the lowest responsive and responsible bidder for concentrated liquid bus/rail wash detergent and storage tanks for an amount not to exceed \$3,675,011, inclusive of sales tax and three one-year options.

**RATIONALE**

Concentrated liquid bus/rail wash detergent is needed to clean the exterior of the buses and the light rail cars. This procurement will provide environmentally friendly cleaning material needed to maintain the appearance of our bus and the rail fleet as well as provide storage tanks to store the bus wash detergent (Green Bus Wash) at 13 operating divisions.

Since the contract to be awarded is a "requirement type" agreement there is no obligation or commitment for us to order any or all of the concentrated liquid bus/rail wash detergent that may be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required.

**FINANCIAL IMPACT**

The funding of \$176,242 for concentrated liquid bus/rail wash detergent is included in the FY09 budget in multiple bus and rail operating cost centers and various operating projects under Line Item 50431, M&S Building and Grounds. Since this is a multi-year contract, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years. In FY08, a total amount of \$522,720 was expended on this category.

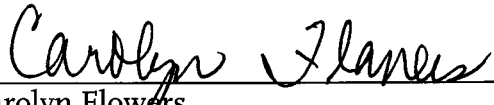
## **ALTERNATIVES CONSIDERED**

The alternative is not to award the contract and to procure liquid bus/rail wash detergent on an as-needed basis at a higher cost. This approach is not recommended since it does not provide a commitment from the suppliers to ensure availability and price stability.

## **ATTACHMENTS**

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

Prepared By: S. Jackson, Procurement Planning Administrator  
J. Roberts, Deputy Executive Officer, Operations



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Carolyn Flowers  
Chief Operations Officer



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Roger Snoble  
Chief Executive Officer

**BOARD REPORT ATTACHMENT A  
PROCUREMENT SUMMARY**

**CONCENTRATED LIQUID BUS/RAIL WASH DETERGENT AND STORAGE TANKS**

1.	Contract Number: 08-0022A		
2.	Recommended Vendor:  Acuity Specialty Products, Inc , dba Zep Sales and Service, Inc., 1310 Seaboard Industrial Blvd. Atlanta, GA 30318		
3.	Cost/Price Analysis Information:		
	1. Bid/Proposed Price: \$ 3,675,011	Recommended Amount: \$3,675,011	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Price		
5.	Procurement Dates:		
	A. Issued: May 12, 2008		
	B. Advertised: May 8, 2008		
	C. Pre-bid Conference: May 21, 2008		
	D. Proposals/Bids Due: October 30, 2008		
	E. Pre-Qualification Completed: Yes		
	F. Conflict of Interest Form Submitted to Ethics: Yes		
6.	Small Business Participation: %		
	A. Bid/Proposal Goal: 5%	Date Small Business Evaluation Completed: 2/26/09	
	Small Business Commitment:		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 62	Bids/Proposals Picked up: 57	Bids/Proposals Received: 5
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	<u>Best and Final Offer Amount:</u>
	Maintex	\$2,220,980	N/A
	Jayne Products, Inc.	\$3,155,882	
	Acuity Specialty Products, Inc. dba Zep Sales and Service, Inc.	\$3,675,011	
	Maxclean Corp	\$4,108,401	
	Chemco Products Company	\$1,073,493	
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder.		
9.	Protest Information:		
	A. Protest Period End Date: 3/24/09		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Sherri Jackson	Telephone Number: 213/922-1025	
11.	Project Manager: Cathy Kaminski	Telephone Number: 213/922-5713	

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

**CONCENTRATED LIQUID BUS/RAIL WASH DETERGENT AND STORAGE TANKS**

**A. Background on Contractor**

The responsive and responsible low bidder, Acuity Specialty Products, Inc. dba Zep Sales and Service, Inc. is located in Atlanta, GA. and has been in business since 1937. Zep Sales and Service Inc. focus has been to offer customers the widest selection of top-quality industrial cleaning products with superior personal service and professional technical support.

Zep Sales and Service, Inc. (NYSE: ZEP) is a leading provider of specialty chemical products to a wide variety of industrial, institutional and retail customers. Certified as an ISO-9001 & 14001 manufacturer, Zep Sales and Service, Inc. produces more than 3,500 sanitation and maintenance products for professional use, including detergents, disinfectants, hand cleaners, degreasers, deodorants, lubricants, floor finishes, and pest control solutions.

Zep Sales and Service, Inc. has been a continuous supplier of cleaners and other products to bus and rail divisions.

**B. Procurement Background**

Evaluation of the five bids received was based on the submittal of offers for our specifications for environmentally friendly liquid bus/rail detergent. Two bids were found to be responsive to the bid requirements and technical specifications.

The Diversity and Economic Opportunity Department recommends a 5% 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            Maintex in the amount of \$2,220,980 is non-compliant to the technical specifications. The Maintex product exceeded the viscosity specification requirement.

Bidder #2            Jayne Products, Inc. in the amount of \$3,155,882 is non-compliant to the technical specifications. The Jayne product exceeded the viscosity specification requirement.

- Bidder #3            Acuity Specialty Products, Inc. dba Zep Sales and Service, Inc. in the amount of \$3,675,011 is in full compliance to the technical specifications and the bid requirements.
- Bidder#4            Maxclean Corporation in the amount of \$4,108,401 is in full compliance to the technical specifications and the bid requirements.
- Bidder #5            Chemco Products Company in the amount of \$1,073,493 is non-compliant to the bid requirements. Chemco's bid submittal was incomplete since they did not submit pricing for the option periods.

**D. Cost/Price Analysis Explanation of Variances**

The recommended bid price of \$3,675,011 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**

**CONCENTRATED LIQUID BUS/RAIL WASH DETERGENT AND STORAGE TANKS**

**PRIME CONTRACTOR**    Acuity Specialty Products, Inc. dba Zep Sales and Service, Inc.

**Small Business Commitment**

**Other Subcontractors**

Southend Janitorial Supply

**Total Commitment**        5%

**ATTACHMENT B  
BID TABULATION**

Bids Out: 10/02/08 Total 63  
 Bids Opened: 10/30/08 Total 5  
 Advertisement Date(s): 05/09/08  
 Newspaper: Daily News, Chinese Daily News, La Opinion and L.A. Watts Times

Item No.	Description	QTY	UM	Maintex		Jayne Products, Inc.		Acuity Specialty Products, Inc.		Maxclean Corp.		Chemco Products Co.	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
<b>24 Month</b>													
180837N	Cleaner, Bus Wash Exterior	216,000	GL	\$3.56	\$768,960.00	\$4.71	\$1,017,360.00	\$6.03	\$1,302,480.00	\$6.75	\$1,458,000.00	\$4.57	\$987,120.00
	Sales Tax 8.25%				\$67,284.00		\$89,019.00		\$113,967.00		\$127,575.00		\$86,373.00
	<b>24 Month Total</b>				<b>\$836,244.00</b>		<b>\$1,106,379.00</b>		<b>\$1,416,447.00</b>		<b>\$1,585,575.00</b>		<b>\$1,073,493.00</b>
<b>First Year Option</b>													
180837N	Cleaner, Bus Wash Exterior	108,000	GL	\$3.73	\$402,840.00	\$5.35	\$577,800.00	\$6.22	\$671,760.00	\$6.95	\$750,600.00	no bid	\$0.00
	Sales Tax 8.25%				\$35,248.50		\$50,557.50		\$58,779.00		\$65,677.50		\$0.00
	<b>First Year Option</b>				<b>\$438,088.50</b>		<b>\$628,357.50</b>		<b>\$730,539.00</b>		<b>\$816,277.50</b>		<b>\$0.00</b>
<b>Second Year Option</b>													
180837N	Cleaner, Bus Wash Exterior	108,000	GL	\$3.93	\$424,440.00	\$5.80	\$626,400.00	\$6.41	\$692,280.00	\$7.16	\$773,280.00	no bid	\$0.00
	Sales Tax 8.25%				\$37,138.50		\$54,810.00		\$60,574.50		\$67,662.00		\$0.00
	<b>Second Year Option</b>				<b>\$461,578.50</b>		<b>\$681,210.00</b>		<b>\$752,854.50</b>		<b>\$840,942.00</b>		<b>\$0.00</b>
<b>Third Year Option</b>													
180837N	Cleaner, Bus Wash Exterior	108,000	GL	\$4.13	\$446,040.00	\$6.30	\$680,400.00	\$6.60	\$712,800.00	\$7.37	\$795,960.00	no bid	\$0.00
	Sales Tax 8.25%				\$39,028.50		\$59,535.00		\$62,370.00		\$69,646.50		\$0.00
	<b>Third Year Option</b>				<b>\$485,068.50</b>		<b>\$739,935.00</b>		<b>\$775,170.00</b>		<b>\$865,606.50</b>		<b>\$0.00</b>
	<b>GRAND TOTAL</b>				<b>\$2,220,979.50</b>		<b>\$3,155,881.50</b>		<b>\$3,675,010.50</b>		<b>\$4,108,401.00</b>		<b>\$1,073,493.00</b>

*Acuity Specialty Products, Inc.  
 dba, Zep Sales & Services, Inc.*

I hereby certify \_\_\_\_\_ as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$ 3,675,010.50

3/6/09  
 \_\_\_\_\_  
 Date

*V. Kozlowski*  
 \_\_\_\_\_  
 Signature