



**OPERATIONS COMMITTEE
APRIL 16, 2009**

SUBJECT: HYDRAULIC HOSE ASSEMBLY KITS

ACTION: AWARD A CONTRACT FOR HYDRAULIC HOSE ASSEMBLY KITS

RECOMMENDATION

Authorize the Chief Executive Officer to award a firm fixed-price contract under Bid No. 09-0026 with California Industrial Rubber Co. Inc., the lowest responsive and responsible bidder for 223 hydraulic hose assembly kits for a firm fixed price of \$527,128, inclusive of sales tax.

RATIONALE

On certain series of buses, we have had to replace the original engine (Detroit Diesel Series 50) that was in the bus series because this engine is no longer available as new and cannot be maintained properly. As part of the ongoing program to re-power these buses, it is also necessary to replace the existing hydraulic hose assembly kits to fit the new replacement engine. The 223 kits covered under this procurement were specially designed to fit within the confines of the 40' New Flyer Low Floor 5300 series engine compartment, and will ensure the new engine hydraulic requirements are met. There will be future procurements for additional hydraulic hose assembly kits for the NABI Low Floor buses as part of the bus re-power program.

FINANCIAL IMPACT

The funding of \$56,559 for this procurement is included in the FY09 budget in cost center 3441, Power Plant under Capital Project 203006, FY09 Bus Midlife Program under line item 50441, Materials and Supplies- Parts Revenue Vehicle. The balance of the funding is included in the FY10 budget in cost center 3441. In FY08, \$308,384 was expended on this type of hydraulic hose assembly kits.

ALTERNATIVES CONSIDERED

The alternative is to not award a contract for these new hydraulic hose assembly kits. This strategy is not recommended because staff will not be able to proceed with the bus engine replacement and mid-life programs.

ATTACHMENTS

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

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Carolyn Flowers

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Chief Operations Officer

Arthur T. Leahy

Arthur T. Leahy
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

HYDRAULIC HOSE ASSEMBLY KITS

1.	Contract Number: 09-0026		
2.	Recommended Vendor: California Industrial Rubber Co. Inc.		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$527,128	Recommended Price: \$527,128	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Firm Fixed Price		
5.	Procurement Dates:		
	A. Issued: February 26, 2009		
	B. Advertised: February 24, 2009		
	C. Pre-bid Conference: N/A		
	D. Bids Due: March 17, 2009		
	E. Pre-Qualification Completed:		
	F. Conflict of Interest Form Submitted to Ethics: March 20, 2009		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: No Goal Recommended	Date Small Business Evaluation Completed: N/A	
	B. Small Business Commitment: N/A – No Goal Recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 16	Bids/Proposals Picked up: 0	Bids/Proposals Received: 3
8.	Evaluation Information:		
	A. <u>Bidders/Proposers Names:</u> California Ind. Rubber Co. Inc. Delafield Corporation Controlled Motion Solutions Inc.	<u>Bid/Proposal Amount:</u> \$527,128 \$772,185 \$783,073	<u>Best and Final Offer Amount:</u> NA
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder. Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: April 21, 2009		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Juelene Close	Telephone Number: 213-922-1066	
11.	Project Manager: John Petres	Telephone Number: 213-922-5743	

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

HYDRAULIC HOSE ASSEMBLY KITS

A. Background on Contractor

California Industrial Rubber Co., Inc. is based in Fresno, California, and has been in business since 1958. California Industrial Rubber Co. Inc. provides industrial rubber and plastic products for agricultural and industrial markets with six full service branch locations as well as a central manufacturing and warehouse facility.

California Industrial Rubber Co. provides parts and material to various government agencies including Orange County Transportation Authority (OCTA) and City of Los Angeles Department of Water & Power. In the past, California Industrial Rubber Co. Inc. has provided satisfactory service and delivery of bus parts to us.

B. Procurement Background

Invitation for Bid (IFB) No. 09-0026 was released on February 26, 2009 and advertised on February 24, 2009. The bid deadline was March 17, 2009. Three firms submitted a bid prior to the stated deadline.

The Diversity & Economic Opportunity Department (DEOD) did not recommend a DALP goal for this procurement. Based on industry practice, the Prime (California Industrial Rubber Co., Inc.) is expected to complete the entire scope with its own workforce. However, pursuant to the DBE Program, if California Industrial Rubber Co., Inc. utilizes the services of subcontractors, they are encouraged to afford maximum opportunities to DBE firms in available subcontracting and supply services areas throughout the life of the contract.

C. Evaluation of Proposals

In accordance with our Procurement Policy Manual, staff performed an evaluation of the bids that were received. California Industrial Rubber Co., Inc., the lowest responsive and responsible bidder was found to be in full compliance with the bid specifications.

D. Cost/Price Analysis

The recommended bid price of \$527,128 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**

HYDRAULIC HOSE ASSEMBLY KITS

PRIME CONTRACTOR – California Industrial Rubber Co., Inc.

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0.0%

**BOARD REPORT ATTACHMENT B
 BID TABULATION**

HYDRAULIC HOSE ASSEMBLY KITS

Bids Out: 02/26/09 Total 16
 Bids Opened: 03/17/09 Total 3
 Advertisement Date(s): 02/24/09
 Newspaper: Daily News, La Opinion
 and L.A. Watts Times

Item No.	Description	Qty	UM	California Industrial Rubber Co., Inc.		Delafield Corporation		Controlled Motion Solutions, Inc.	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Hydraulic Hose Assembly Kits	223	ea	\$2,163.66	\$482,496.18	\$3,169.53	\$706,805.19	\$3,214.22	\$716,771.06
Sub Total					\$482,496.18		\$706,805.19		\$716,771.06
Sales Tax (9.25% as of 4/1/09)					\$44,630.90		\$65,379.48		\$66,301.32
Total					\$527,127.08		\$772,184.67		\$783,072.38

Bids Out: 08/21/08
 Total 21
 Bids Opened: 10/07/08 Total

California Industrial Rubber Co.
 I hereby certify California Industrial Rubber Co. as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$527,127.08

3/27/09
 Date

R.A. Bachman
 Signature

