



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

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**OPERATIONS COMMITTEE
JUNE 18, 2009**

SUBJECT: AIR CONDITIONING (AC) AND AIR COMPRESSORS

ACTION: AWARD CONTRACT FOR AC/AIR COMPRESSORS

RECOMMENDATION

Authorize the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid Number 09-0017 to the following lowest responsive and responsible bidders for Air Conditioning and Air Compressors in an amount not to exceed \$ 2,394,262 inclusive of sales tax and two one-year options.

- A. TK Services, Inc. for line item #1 Air Conditioning (AC) Compressor, for a total contract value of \$895,336 inclusive of sales tax;
- B. Tec of California for line item #2 Air Compressor for a total contract value of \$51,734 inclusive of sales tax;
- C. Carrier Transicold for line items #3 and #4 AC Compressors, for a total contract value of \$461,563 inclusive of sales tax; *and*
- D. Cummins Cal Pacific, LLC for line #5 Air Compressor, for a total contract value of \$985,629 inclusive of sales tax;

RATIONALE

This procurement is for two types of compressors, the AC compressor used in the bus air conditioning system and the air compressor used to generate compressed air for the bus braking and accessories such as the entrance and exit doors. The AC and air compressors are needed to replace compressors that fail and cannot be repaired.

Since the contract to be awarded is a "requirements type" agreement in which we commit to order only from the awardee, up to the specified quantity for a specific duration of time, but there is no obligation or commitment for us to order any or all of the AC/air compressors

that may be required. The bid quantities are estimates only, with deliveries to be ordered and released as required.

AC/air compressors will be purchased, maintained in inventory and managed by Material Management. As the AC/air compressors are issued, the appropriate budget project numbers and accounts are charged.

FINANCIAL IMPACT

The funding of \$864,594 for air compressors is included in the FY10 budget in multiple Bus Operations' cost centers and various projects under line Item 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.

Impact to Enterprise Fund Bus and Rail Operating Budget

The \$2,394,262 budgeted will be charged to the Enterprise Fund (EF) Bus Operating Budget for air conditioning and air compressors for our bus fleet vehicles. The amount charged to the bus operating budget is based on the unit charge for the air conditioning and air compressors required to support bus maintenance at each Bus Operating Division.

ALTERNATIVES CONSIDERED

The alternative is not to award the contract and continue to procure AC/air compressors 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: T. Allen, Procurement Planning Administrator
J. Roberts, Deputy Executive Officer, Operations

Carolyn Flowers

Carolyn Flowers
Chief Operations Officer

Arthur T. Leahy

Arthur T. Leahy
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

AC/AIR COMPRESSORS

1.	Contract Number: 09-0017		
2.	Recommended Vendor: TK Services, Inc., 6118 Alcoa Avenue, Vernon, CA 90058 Tec of California, 14800 Firestone, LA Mirada, CA 90638 Carrier Transicold, 1015 S. Azusa Avenue, City of Industry, CA 91748 Cummins Cal Pacific, LLC, 1939 Deere Avenue, Irvine, CA 92606		
3.	Cost/Price Analysis Information:		
	1. Bid/Proposed Price: \$ 2,394,262	Recommended Amount: \$2,394,262	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Price		
5.	Procurement Dates:		
	A. Issued: 1/23/09		
	B. Advertised: 12/26/08		
	C. Pre-bid Conference: N/A		
	D. Proposals/Bids Due: 3/5/09		
	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: 29	Bids/Proposals Picked up: 29	Bids/Proposals Received: 9
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	<u>Best and Final Offer Amount:</u>
	NABI	\$ 2,783,258	N/A
	Muncie Reclamation and Supply	\$ 2,971,988	
	Gillig, LLC	\$ 3,161,581	
	Carrier Transicold	\$ 461,563	
	Neopart, LLC	\$ 57,520	
	TEC of California	\$1, 128,979	
	MCI	\$ 189,269	
	Cummins Cal Pacific, LLC	\$ 985,629	
	TK Services, Inc.	\$ 895,336	
	B. Evaluation Methodology: Selection of the lowest responsive, responsible bidders for each item.		
9.	Protest Information:		
	A. Protest Period End Date: 6/23/09		
	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**

AC/AIR COMPRESSORS

A. Background on Contractor

The responsive and responsible low bidder for line item #1, TK Services, Inc., is located in Vernon, California, and has supplied refrigeration equipment for buses, containers, trailers, trucks and light rail trains since 2003. TK Services, Inc. specializes in manufacturer of refrigeration products. TK Service, Inc. has provided filter products to OCTA, Foothill Transit, MUNI, VTA, San Diego Transit, Veolia, and First Transit. TK Services, Inc. has provided satisfactory service to us on previous contracts.

The responsive and responsible low bidder for line item #2, Tec of California, is located in LA Mirada, California and has been in the heavy duty truck supply parts business for 26 years. TEC of California specializes in distribution of bus parts. Tec of California has provided bus parts for Los Angeles City, DWP, and City of Glendale. Tec of California has provided satisfactory service to us on previous contracts.

The responsive and responsible low bidder for line items #3 & #4, Carrier Transicold located in City of Industry, California, and has been in the filter business for 94 years. Carrier Transicold specializes in distribution of bus, truck and trailer air conditioning and refrigeration equipment and supplies. Transicold has no previous contracts with us.

The responsive and responsible low bidder for line item #5, Cummins Cal Pacific, LLC is located in Irvine, California, and has been in the bus parts business for 18 years. Cummins Cal Pacific, LLC specializes in fleet parts distributor for all Cummins parts and sales, certified repairs for all Cummins engines. Cummins Cal Pacific, LLC has provided bus parts and service to Orange County Transportation Authority and San Diego Metropolitan Transit System. Cummins Cal Pacific, LLC has provided satisfactory service to us on previous contracts.

B. Procurement Background

In accordance with Procurement Policies and Procedures, evaluation of the nine bids received was based on the submittal of offers for our approved manufacturer part numbers. All bids were found to be responsive to the bid requirements and technical specifications.

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

C. Evaluation Criteria

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

- Bidder #1 NABI in the amount of \$2,783,258 is in full compliance to the technical and the bid specifications but was not the low bidder.
- Bidder #2 Muncie Reclamation and Supply in the amount of \$2,971,988 is in full compliance to the technical and the bid specifications but was not the low bidder.
- Bidder #3 Gillig LLC, in the amount of \$3,161,581 is in full compliance to the technical and the bid specifications but was not the low bidder.
- Bidder #4 Carrier Transicold in the amount of \$461,563 is in full compliance to the technical and bid specifications. Carrier Transicold is the low bidder on line items 3 and 4.
- Bidder #5 Neopart LLC in the amount of \$57,520 is in full compliance to the technical and the bid specifications but was not the low bidder.
- Bidder #6 Tec of California in the amount of \$1,128,979 is in full compliance to the technical and the bid specifications. Tec of California is low bidder for line item 2.
- Bidder #7 MCI is in full compliance in the amount of \$189,269 is in full compliance to the technical and the bid specifications but was not the low bidder.
- Bidder #8 Cummins Cal Pacific, LLC in the amount of \$985,629 is in full compliance to the technical and bid specifications. Cummins Cal Pacific, LLC is the low bidder for line 5.
- Bidder #9 TK System, Inc. in the amount of \$895,336 is in full compliance to the technical and bid specifications. TK Systems, Inc. is low bidder for line 1.

D. Cost/Price Analysis Explanation of Variances

The recommended bid price of \$2,394,262 has been determined to be fair and reasonable, based upon adequate price competition, and selection of the lowest responsive and responsible bidders. This bid will result in a one-year price savings of \$16,200 based on previous purchase pricing.

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

AC/AIR COMPRESSORS

PRIME CONTRACTOR AC/AIR COMPRESSOR

Small Business Commitment

Other Subcontractors

N/A

N/A

Total Commitment 0%

ATTACHMENT B

BID TABULATION

Bids Out: 01/23/09 Total 29
 Bids Opened: 03/05/09 Total 9
 Advertisement Date(s): 12/26/08
 Newspaper: Daily News

Item No.	MTA Code	Description	Qty	UM	NABI		Muncie Reclamation and Supply		Gillig LLC		Carrier Transcoid		Neopart LLC	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
12 MONTH														
1	140083	Compressor-A/C Thermo King	60	EA	\$5,875.61	\$352,536.60	\$6,228.00	\$373,680.00	\$5,911.32	\$354,679.20	no bid	\$0.00	no bid	\$0.00
2	177423	Compressor-Air Bendix	12	EA	\$1,470.46	\$17,845.52	\$1,558.70	\$18,704.40	\$1,545.38	\$18,544.56	no bid	\$0.00	\$1,476.00	\$17,712.00
3	133228	Compressor-A/C, Carrier	36	EA	\$2,885.83	\$103,889.88	\$2,923.20	\$105,235.20	\$3,056.90	\$110,048.40	\$2,835.56	\$102,080.16	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	\$3,023.93	\$36,287.16	\$3,490.75	\$41,889.00	\$3,204.30	\$38,451.60	\$2,977.78	\$35,733.36	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,160.52	\$309,631.20	\$5,824.70	\$349,482.00	\$6,687.73	\$401,263.80	no bid	\$0.00	no bid	\$0.00
Sub Total						\$819,990.36		\$888,990.60		\$922,987.56		\$137,813.52		\$17,712.00
Sales Tax 8.25%						\$67,849.20		\$73,341.72		\$76,146.47		\$11,369.62		\$1,461.24
Total 12 Month						\$887,839.56		\$962,332.32		\$999,134.03		\$149,183.14		\$19,173.24
OPTION 1														
1	140083	Compressor-A/C Thermo King	60	EA	\$6,169.39	\$370,163.40	\$6,414.84	\$384,890.40	\$6,202.49	\$372,149.40	no bid	\$0.00	no bid	\$0.00
2	177423	Compressor-Air Bendix	12	EA	\$1,470.46	\$17,845.52	\$1,605.46	\$19,265.52	\$1,545.38	\$18,544.56	no bid	\$0.00	\$1,476.00	\$17,712.00
3	133228	Compressor-A/C, Carrier	36	EA	\$2,975.85	\$107,130.60	\$3,010.90	\$108,392.40	\$3,147.10	\$113,295.60	\$2,923.33	\$105,239.88	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	\$3,127.33	\$37,527.96	\$3,501.22	\$42,014.64	\$3,298.90	\$39,586.80	\$3,070.00	\$36,840.00	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,418.54	\$325,112.40	\$5,999.44	\$359,966.40	\$7,184.28	\$431,056.80	no bid	\$0.00	no bid	\$0.00
Sub Total						\$657,579.88		\$914,529.36		\$974,633.16		\$142,079.88		\$17,712.00
Sales Tax 8.25%						\$70,750.34		\$75,448.67		\$80,407.24		\$11,721.59		\$1,461.24
Total Option 1						\$928,330.22		\$989,978.03		\$1,055,040.40		\$153,801.47		\$19,173.24
OPTION 2														
1	140083	Compressor-A/C Thermo King	60	EA	\$6,477.85	\$388,671.00	\$6,607.29	\$396,437.40	\$6,508.23	\$390,493.80	no bid	\$0.00	no bid	\$0.00
2	177423	Compressor-Air Bendix	12	EA	\$1,470.46	\$17,845.52	\$1,653.62	\$19,843.44	\$1,545.38	\$18,544.56	no bid	\$0.00	\$1,476.00	\$17,712.00
3	133228	Compressor-A/C, Carrier	36	EA	\$3,068.05	\$110,449.80	\$3,101.23	\$111,644.28	\$3,239.50	\$116,622.00	\$3,014.44	\$108,519.84	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	\$3,223.92	\$38,687.04	\$3,606.26	\$43,275.12	\$3,395.70	\$40,748.40	\$3,184.44	\$37,979.28	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,635.25	\$338,115.00	\$6,179.42	\$370,765.20	\$7,610.00	\$456,600.00	no bid	\$0.00	no bid	\$0.00
Sub Total						\$893,568.36		\$941,965.44		\$1,023,008.76		\$146,493.12		\$17,712.00
Sales Tax 8.25%						\$73,719.39		\$77,712.15		\$84,386.22		\$12,085.68		\$1,461.24
Total Option 2						\$967,287.75		\$1,019,677.59		\$1,107,406.98		\$158,578.80		\$19,173.24
GRAND TOTAL						\$2,783,257.53		\$2,971,987.95		\$3,161,581.41		\$461,563.41		\$57,519.72

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION

Bid No: 090017 AC Air Compressors

Bids Out: 01/23/09 Total 29
 Bids Opened: 03/05/09 Total 9
 Advertisement Date(s): 12/26/08
 Newspaper: Daily News

Item No.	MTA Item Code	Description	Qty	UM	NABI		Muncie Reclamation and Supply		Gillig LLC		Carrier Transicold		Neopart LLC	
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2	177423	Compressor-Air Bendix	12	EA	\$1,470.46	\$17,645.52	\$1,558.70	\$18,704.40	\$1,545.38	\$18,544.56	no bid	\$0.00	\$1,476.00	\$17,712.00
3	133228	Compressor-A/C, Carrier	36	EA	\$2,885.83	\$103,889.88	\$2,923.20	\$105,235.20	\$3,056.90	\$110,048.40	\$2,835.56	\$102,080.16	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	\$3,023.93	\$36,287.16	\$3,490.75	\$41,889.00	\$3,204.30	\$38,451.60	\$2,977.78	\$35,733.36	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,160.52	\$309,631.20	\$5,824.70	\$349,482.00	\$6,687.73	\$401,263.80	no bid	\$0.00	no bid	\$0.00
Sub Total						\$819,990.36		\$888,990.60		\$922,987.56		\$137,813.52		\$17,712.00
Sales Tax 8.25%						\$67,649.20		\$73,341.72		\$76,146.47		\$11,369.62		\$1,461.24
Total 12 Month						\$887,639.56		\$962,332.32		\$999,134.03		\$149,183.14		\$19,173.24
OPTION 1														
1	140083	Compressor-A/C Thermo King	60	EA	\$6,169.39	\$370,163.40	\$6,414.84	\$384,890.40	\$6,202.49	\$372,149.40	no bid	\$0.00	no bid	\$0.00
2	177423	Compressor-Air Bendix	12	EA	\$1,470.46	\$17,645.52	\$1,605.46	\$19,265.52	\$1,545.38	\$18,544.56	no bid	\$0.00	\$1,476.00	\$17,712.00
3	133228	Compressor-A/C, Carrier	36	EA	\$2,975.85	\$107,130.60	\$3,010.90	\$108,392.40	\$3,147.10	\$113,295.60	\$2,923.33	\$105,239.88	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	\$3,127.33	\$37,527.96	\$3,501.22	\$42,014.64	\$3,298.90	\$39,586.80	\$3,070.00	\$36,840.00	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,418.54	\$325,112.40	\$5,999.44	\$359,966.40	\$7,184.28	\$431,056.80	no bid	\$0.00	no bid	\$0.00
Sub Total						\$857,579.88		\$914,529.36		\$974,633.16		\$142,079.88		\$17,712.00
Sales Tax 8.25%						\$70,750.34		\$75,448.67		\$80,407.24		\$11,721.59		\$1,461.24
Total Option 1						\$928,330.22		\$989,978.03		\$1,055,040.40		\$153,801.47		\$19,173.24
OPTION 2														
1	140083	Compressor-A/C Thermo King	60	EA	\$6,477.85	\$388,671.00	\$6,607.29	\$396,437.40	\$6,508.23	\$390,493.80	no bid	\$0.00	no bid	\$0.00
2	177423	Compressor-Air Bendix	12	EA	\$1,470.46	\$17,645.52	\$1,653.62	\$19,843.44	\$1,545.38	\$18,544.56	no bid	\$0.00	\$1,476.00	\$17,712.00
3	133228	Compressor-A/C, Carrier	36	EA	\$3,068.05	\$110,449.80	\$3,101.23	\$111,644.28	\$3,239.50	\$116,622.00	\$3,014.44	\$108,519.84	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	\$3,223.92	\$38,687.04	\$3,606.26	\$43,275.12	\$3,395.70	\$40,748.40	\$3,164.44	\$37,973.28	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,635.25	\$338,115.00	\$6,179.42	\$370,765.20	\$7,610.00	\$456,600.00	no bid	\$0.00	no bid	\$0.00
Sub Total						\$893,568.36		\$941,965.44		\$1,023,008.76		\$146,493.12		\$17,712.00
Sales Tax 8.25%						\$73,719.39		\$77,712.15		\$84,398.22		\$12,085.68		\$1,461.24
Total Option 2						\$967,287.75		\$1,019,677.59		\$1,107,406.98		\$158,578.80		\$19,173.24
GRAND TOTAL						\$2,783,257.53		\$2,971,987.95		\$3,161,581.41		\$481,563.41		\$57,519.72

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: 090017 AC Air Compressors

Item No.	MTA Item Code	Description	Qty	UM	Tec Of California		MCI		Cummins Cal Pacific, LLC		TK Services Inc.	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
12 MONTH												
1	140083	Compressor-A/C Thermo King	60	EA	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00	\$4,395.00	\$263,700.00
2	177423	Compressor-Air Bendix	12	EA	\$1,311.64	\$15,739.68	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00
3	133228	Compressor-A/C, Carrier	36	EA	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	no bid	\$0.00	\$4,662.95	\$55,955.40	no bid	\$0.00	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,446.07	\$326,764.20	no bid	\$0.00	\$4,901.47	\$294,088.20	no bid	\$0.00
Sub Total						\$342,503.88		\$55,955.40		\$294,088.20		\$263,700.00
Sales Tax 8.25%						\$28,256.57		\$4,616.32		\$24,262.28		\$21,755.25
Total 12 Month						\$370,760.45		\$60,571.72		\$318,350.48		\$285,455.25
OPTION 1												
1	140083	Compressor-A/C Thermo King	60	EA	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00	\$4,595.00	\$275,700.00
2	177423	Compressor-Air Bendix	12	EA	\$1,323.56	\$15,882.72	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00
3	133228	Compressor-A/C, Carrier	36	EA	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	no bid	\$0.00	\$4,853.60	\$58,243.20	no bid	\$0.00	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,545.09	\$332,705.40	no bid	\$0.00	\$5,043.51	\$302,910.60	no bid	\$0.00
Sub Total						\$348,588.12		\$58,243.20		\$302,910.60		\$275,700.00
Sales Tax 8.25%						\$28,758.52		\$4,805.06		\$24,990.12		\$22,745.25
Total Option 1						\$377,346.64		\$63,048.26		\$327,900.72		\$298,445.25
OPTION 2												
1	140083	Compressor-A/C Thermo King	60	EA	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00	\$4,795.00	\$287,700.00
2	177423	Compressor-Air Bendix	12	EA	\$1,347.41	\$16,168.92	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00
3	133228	Compressor-A/C, Carrier	36	EA	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00	no bid	\$0.00
4	179886	Compressor-A/C 37CFM	12	EA	no bid	\$0.00	\$5,053.78	\$60,645.36	no bid	\$0.00	no bid	\$0.00
5	178542	Compressor-Air Twin Cyl	60	EA	\$5,594.60	\$335,676.00	no bid	\$0.00	\$5,225.21	\$313,512.60	no bid	\$0.00
Sub Total						\$351,844.92		\$60,645.36		\$313,512.60		\$287,700.00
Sales Tax 8.25%						\$29,027.21		\$5,003.24		\$25,864.79		\$23,735.25
Total Option 2						\$380,872.13		\$65,648.60		\$339,377.39		\$311,435.25
GRAND TOTAL						\$1,128,979.22		\$189,268.59		\$985,628.59		\$895,335.75

I hereby certify T.K. Services, Tec of California, Carrier Transcold and Cummins Cal Pacific, LLC as being the lowest responsive, responsible bidders and recommend the award to them for total price, including sales tax, of 2,394,262.

04/28/09 _____
 Date Signature

