



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: BUS MANIFOLDS

ACTION: AWARD CONTRACT FOR BUS MANIFOLDS

RECOMMENDATION

Authorize the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid Number 09-0029 to the following lowest responsive and responsible bidders for bus manifolds for an amount not to exceed \$4,188,959, inclusive of sales tax and two one-year options.

- A. North American Bus Industries (NABI) for line item 1 for a total contract value of \$439,643 inclusive of sales tax and;
- B. Valley Power Systems, Inc. for line item 2 for a total contract value of \$3,749,316 inclusive of sales tax.

RATIONALE

There are two types of manifolds specified in this procurement, which are an integral part of the bus fueling and emission systems on the following bus series: 5000-5222 New Flyer High Floor, 5300-5522 New Flyer High Floor, 6700 Neoplan High Floor, 7000-7214 Nabi Low Floor, 7300-7514 Nabi Low Floor, and 7600-7999 Nabi Low Floors. The intake manifold carries fuel to each cylinder for combustion and the exhaust manifold receives exhaust gases from the cylinders and conducts them to the exhaust pipe. The standard warranty period for these manifolds is 12 months.

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

Bus manifolds will be purchased, maintained in inventory and managed by Material Management. As the manifolds are issued, the appropriate budget project numbers and accounts are charged.

FINANCIAL IMPACT

The funding of \$1,186,195.08 for bus manifolds is included in the proposed FY10 budget under multiple bus operating cost centers and various operating projects under Line Item 50441, Parts – Revenue Vehicle.

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 \$1,194,397 was expended on this category.

Impact to Enterprise Fund Bus and Rail Operating Budget

The \$4,188,959 budgeted will be charged to the Enterprise Fund (EF) Bus Operating Budget for bus manifolds for our bus fleet vehicles. The amount charged to the bus operating budget is based on the unit charge for the bus manifolds required to support bus maintenance at each Bus Operating Division.

ALTERNATIVES CONSIDERED

The alternative is not to award the contract and continue to procure bus manifolds 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**

BUS MANIFOLDS

| | | | |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------|
| 1. | Contract Number: 09-0029 | | |
| 2. | Recommended Vendor: | | |
| | <ul style="list-style-type: none"> • NABI, 1275 S. Houk Road Delaware, OH 43015 • Valley Power Systems, Inc. 425 S. Hacienda Blvd., City of Industry, CA 91745 | | |
| 3. | Cost/Price Analysis Information: | | |
| | 1. Bid/Proposed Price: \$ 4,188,959 | Recommended Amount: \$4,188,959 | |
| | B. Details of Significant Variances are in Attachment A-1.D | | |
| 4. | Contract Type: Fixed Price | | |
| 5. | Procurement Dates: | | |
| | A. Issued: 3/19/09 | | |
| | B. Advertised: 3/20/09 | | |
| | C. Pre-bid Conference: N/A | | |
| | D. Proposals/Bids Due: N/A | | |
| | E. Pre-Qualification Completed: N/A | | |
| | F. Conflict of Interest Form Submitted to Ethics: Yes | | |
| 6. | Small Business Participation: | | |
| | A. Bid/Proposal Goal: 0% No goal recommended | Date Small Business Evaluation Completed: 4/30/09 | |
| | Small Business Commitment: 0% No DBE Anticipated Level of Participation (DALP) was recommended. | | |
| 7. | Invitation for Bid/Request for Proposal Data: | | |
| | Notifications Sent: 20 | Bids/Proposals Picked up: 20 | Bids/Proposals Received: 5 |
| 8. | Evaluation Information: | | |
| | A. Bidders/Proposers Names: | <u>Bid/Proposal Amount:</u> | <u>Best and Final Offer Amount:</u> |
| | Valley Power Systems, Inc. | \$3,749,316 | N/A |
| | NABI | \$ 439,643 | |
| | Gillig, LLC | \$4,405,956 | |
| | MCI Service Parts Inc. | \$5,401,120 | |
| | Muncie Reclamation and Supply | \$6,104,859 | |
| | B. Evaluation Methodology: Selection of the lowest responsive, responsible bidder. | | |
| 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**

BUS MANIFOLDS

A. Background on Contractor

The responsive and responsible low bidder, North American Bus Industries (NABI) is located in Delaware, OH and has been in the bus parts business since 1992. NABI has distributed bus manufacturer and bus parts to other agencies, including Los Angeles County Metro, OCTA, Santa Monica, San Francisco, Boston and other transit agencies. In the past, NABI has provided satisfactory service and delivery of bus manufacturer buses and parts to us.

The responsive and responsible low bidder, Valley Power Systems, Inc. is located in City of Industry, CA and has been in the bus parts business since 1984. Valley Power Systems, Inc. has distributed bus parts to other agencies, Culver City Transit, Santa Monica Big Blue Bus and OCTA. In the past, Valley Power Systems, Inc. has provided satisfactory service and delivery of bus parts.

B. Procurement Background

Evaluation of the five bids received was based on technical evaluation of the Quality Assurance Department, which was based on the submittal of offers for our approved manufacturer part numbers.

The Diversity and Economic Opportunity Department did not recommend a Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) for this procurement due to lack of subcontracting opportunities.

C. Evaluation Criteria

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

- | | |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Bidder #1 | Valley Power Systems, Inc. in the amount of \$3,749,316 is in full compliance to the technical specifications and the bid requirements. |
| Bidder #2 | NABI in the amount of \$439,643 is in full compliance to the technical specifications and the bid requirements. |
| Bidder #3 | Gillig, LLC in the amount of \$4,405,956 is in full compliance to the technical specifications and the bid requirements. |
| Bidder #4 | MCI Service Parts, Inc. in the amount of \$5,401,120 is in full compliance to the technical specifications and the bid requirements. |

Bidder #5 Muncie Reclamation and Supply in the amount of \$6,104,859 is in full compliance to the technical specifications and the bid requirements.

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

The recommended bid price of \$4,188,959 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidders. Price savings based on historical figures is \$86,494.

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

BUS MANIFOLDS

PRIME CONTRACTORS

- A) North American Bus Industries
- B) Valley Power Systems, Inc.

Small Business Commitment

0%

Total Commitment

Other Subcontractors

0%

0%

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: 090029 Bus - Manifolds

Bids Out: 03/19/09 Total 20
 Bids Opened: 04/23/09 Total 5
 Advertisement Date(s): 03/20/09
 Newspaper: Daily News

| Item No. | MTA Part No. | Description | Qty | UM | Valley Power Systems Inc. | | NABI | | Gillig LLC | | MCI Service Parts, Inc. | | Muncie Reclamation And Supply | |
|----------------------------------------|--------------|---------------------------|-----|----|---------------------------|-----------------------|------------|---------------------|------------|-----------------------|-------------------------|-----------------------|-------------------------------|-----------------------|
| | | | | | Unit Price | Total Price | Unit Price | Total Price | Unit Price | Total Price | Unit Price | Total Price | Unit Price | Total Price |
| 12 MONTH | | | | | | | | | | | | | | |
| 1 | 143031 | Manifold - Fuel Fill Blue | 108 | EA | no bid | \$0.00 | \$1,205.51 | \$130,195.08 | no bid | \$0.00 | no bid | \$0.00 | \$1,457.60 | \$157,420.80 |
| 2 | 137514 | Manifold - Exhaust S50G | 528 | EA | \$2,000.00 | \$1,056,000.00 | no bid | \$0.00 | \$2,307.58 | \$1,218,402.24 | \$2,798.62 | \$1,477,671.36 | \$3,060.71 | \$1,616,054.88 |
| 12 Month Sub Total | | | | | | \$1,056,000.00 | | \$130,195.08 | | \$1,218,402.24 | | \$1,477,671.36 | | \$1,773,475.68 |
| OPTION 1 | | | | | | | | | | | | | | |
| 1 | 143031 | Manifold - Fuel Fill Blue | 108 | EA | no bid | \$0.00 | \$1,241.67 | \$134,100.36 | no bid | \$0.00 | no bid | \$0.00 | \$1,503.48 | \$162,375.84 |
| 2 | 137514 | Manifold - Exhaust S50G | 528 | EA | \$2,195.00 | \$1,158,960.00 | n | \$0.00 | \$2,538.34 | \$1,340,243.52 | \$3,109.58 | \$1,641,858.24 | \$3,213.75 | \$1,696,860.00 |
| Option 1 Sub Total | | | | | | \$1,158,960.00 | | \$134,100.36 | | \$1,340,243.52 | | \$1,641,858.24 | | \$1,859,235.84 |
| OPTION 2 | | | | | | | | | | | | | | |
| 1 | 143031 | Manifold - Fuel Fill Blue | 108 | EA | no bid | \$0.00 | \$1,278.92 | \$138,123.36 | no bid | \$0.00 | no bid | \$0.00 | \$1,607.00 | \$173,556.00 |
| 2 | 137514 | Manifold - Exhaust S50G | 528 | EA | \$2,304.75 | \$1,216,908.00 | no bid | \$0.00 | \$2,792.17 | \$1,474,265.76 | \$3,455.09 | \$1,824,287.52 | \$3,374.44 | \$1,781,704.32 |
| Option 2 Sub Total | | | | | | \$1,216,908.00 | | \$138,123.36 | | \$1,474,265.76 | | \$1,824,287.52 | | \$1,955,260.32 |
| Sub Total 12 Month plus Options | | | | | | \$3,431,868.00 | | \$402,418.80 | | \$4,032,911.52 | | \$4,943,817.12 | | \$5,587,971.84 |
| Sales Tax 9.25% | | | | | | \$317,447.79 | | \$37,223.74 | | \$373,044.32 | | \$457,303.08 | | \$516,887.40 |
| Grand Total | | | | | | \$3,749,315.79 | | \$439,642.54 | | \$4,405,955.84 | | \$5,401,120.20 | | \$6,104,859.24 |

I hereby certify North American Bus Industries and Valley Power Systems, Inc. as being the lowest responsive, responsible bidders and recommend the award to them for total price, including sales tax, of \$4,188,959.

RA Bechman 5/29/09
 Signature