

**Metro**Los Angeles County  
Metropolitan Transportation AuthorityOne Gateway Plaza  
Los Angeles, CA 90012-2952213.922.2000  
metro.net**SYSTEM SAFETY AND OPERATIONS COMMITTEE  
SEPTEMBER 20, 2012****SUBJECT: ELECTRIC FAN SYSTEM****ACTION: APPROVE CONTRACT AWARD****RECOMMENDATION**

Authorize the Chief Executive Officer to award a firm fixed price contract under Bid No. 12-0047 with Engineered Machine Products, Inc., the lowest responsive and responsible bidder for the procurement of 91 electric fan system units for an amount not-to-exceed \$1,246,947 inclusive of sales tax.

**ISSUE**

As part of the Central Maintenance Facility (CMF) Bus Midlife/Re-Power program, the existing hydraulic driven fan system will be replaced with an electric fan system. Electric fans have a longer useful life expectancy, and the replacement costs of pumps, hydraulic motors, and lines will be eliminated. Labor costs during routine maintenance are expected to be significantly reduced. Additionally, this procurement is required to ensure the current engine replacement program can continue without further delays and that revenue service is not impacted.

**DISCUSSION**

The NABI 8000-8099 45CLFW-03 series buses are on schedule for refurbishment through the Bus Midlife Program. These buses are being re-powered with a Cummins ISLG 280 hp natural gas fueled engine. The repower program will replace the existing hydraulic driven fan system with an electric fan system. The new fan system package will include a radiator, fan assemblies, controllers, power generation and necessary wiring, and are warranted to be free from defects in design and materials for two-years with full parts and labor on all warrantable failures.

**DETERMINATION OF SAFETY IMPACT**

Award of contract will result in a positive impact on safety. Installing these new electric fan system will ensure that the bus is maintained in accordance with Metro Maintenance standards and improve on-road performance and reliability of the bus which will have a beneficial impact on system safety.

## **FINANCIAL IMPACT**

The contract value for these components is \$1,246,947. Funding of \$849,568 for the procurement of 62 electric fan system units is included in the FY13 budget in cost center 3366 Central Maintenance Shops, under Capital Project 203020, FY12-FY14 Bus Midlife Project program, line item 50441, Parts – Revenue Vehicle.

The cost center manager, project manager, and Chief Operations Officer will ensure that the remaining \$397,379 for purchase of the remaining 29 electrical cooling fan units will be budgeted in future fiscal years.

### **Impact to Budget**

The source of the funds for this procurement is Prop 1B – PTMISEA. No other sources of funds were considered for the 91 electric fan system units because these are the designated funds available for bus engine replacement. By proceeding with the purchase of these electric fan system units, operating costs will remain neutral.

## **ALTERNATIVES CONSIDERED**

The alternative is not to award this master agreement contract and procure electric fan system units on an as-needed basis, using the traditional "min/max" replenishment system method. The "min/max" replenishment system method calculates minimum and maximum inventory levels. This strategy is not recommended since it does not provide for a commitment from the supplier to ensure availability, timely delivery, continued supply and a guaranteed fixed price for electric fan system units.

## **NEXT STEPS**

Refurbishment of the NABI bus fleet will continue in accordance with Operations Support Services bus mid-life program and engine replacement program. The engine replacement of this NABI bus series is scheduled to be completed by the end of the second quarter, FY14.

## **ATTACHMENTS**

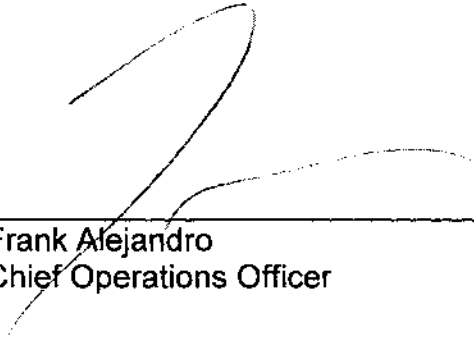
- A. Procurement Summary
- B. Bid Tabulation


Prepared by: Michael Stange, Interim Executive Director, Maintenance

Questions: Michelle Stewart, Assistant Administrative Analyst, Operations  
(213) 922-7270

*Michelle Lopes Caldwell*

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Chief Administrative Services Officer

  
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Frank Alejandro  
Chief Operations Officer

  
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by Arthur T. Leahy  
Chief Executive Officer

## PROCUREMENT SUMMARY

## ELECTRIC FAN SYSTEM

1.	Contract Number: 12-0047	
2.	Recommended Vendor: Engineered Machine Products, Inc., 3111 N. 28 <sup>th</sup> Street, Escanaba, MI 49829	
3.	Type of Procurement (check one) : <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP – A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 5/30/12	
	B. Advertised/Publicized: 6/06/12	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 7/02/12	
	E. Pre-Qualification Completed: N/A	
	F. Conflict of Interest Form Submitted to Ethics: 8/10/12	
	G. Protest Period End Date: 9/19/12	
5.	Solicitations Picked up/Downloaded: 13	Bids/Proposals Received: 3
6.	Contract Administrator: Otto Ojong	Telephone Number: (213) 922-1454
7.	Project Manager: Dan Quigg	Telephone Number: (213) 922-5895

**A. Procurement Background**

Procurement of electric fan system units was conducted as a formal sealed bid, competitive acquisition, in support of awarding a Master Agreement in order to ensure availability and price stability.

IFB 12-0047 was issued May 30, 2012 and advertised June 6, 2012. Contract type is Firm-Fixed Price (FFP). No amendments were issued during the solicitation phase of this IFB.

**B. Evaluation of Proposals/Bids**

A total of three bids were received July 2, 2012. The firm recommended for award, Engineered Machine Products, Inc. (EMP), was found to be in full compliance with the bid requirements.

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

The recommended bid price of \$1,246,947.29 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder.

	<b>Bidder/Proposer Name</b>	<b>Bid/Proposal Amount</b>	<b>Best and Final Offer Amount</b>	<b>Note those that were disqualified as explained above:</b>
1.	EMP	\$1,246,947.29	N/A	N/A
2.	Gillig LLC	\$1,396,192.64	N/A	N/A
3.	Westwind Trading	\$1,406,088.89	N/A	N/A

**D. Background on Recommended Contractor**

Engineered Machine Products, Inc. (EMP) is based in Escanaba, Michigan, and has been in business since 1981. EMP is a producer of pumps and complex components for use in the heavy-duty diesel engine and hydraulics markets. EMP is a specialized full service provider of manufacturing and engineering solutions, focused on delivering value-added product solutions to its customers in the area of thermal and oil management technologies.

EMP does business with other transit agencies including TriMet – Portland, MTA – New York, WMATA – Washington D.C. and Southeastern Pennsylvania Transportation Authority (SEPTA). In the past, EMP has provided satisfactory service and delivery to us.

**E. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) recommended a 5% Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) for this solicitation. Engineered Machine Products, Inc. (EMP) made no DBE commitment by listing themselves and no subcontractors/suppliers to perform the required scope of work. A certification verification revealed that EMP is not DBE certified. Achievement of the DALP is encouraged through the term of the contract; it is neither a condition of award, nor an issue of responsiveness. The awardee is encouraged to utilize DBE firms when opportunities are available.

<b>ESTABLISHED DALP %</b>	<b>5%</b>	<b>PROPOSED RACE-NEUTRAL DALP %</b>	<b>0%</b>
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**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION**  
**Bid No: 120047 Engine Cooling Electric Fan System**

Bids Out: 05/30/12 Total 13  
 Bids Opened: 07/02/12 Total 3  
 Advertisement Date(s): 06/06/12  
 Newspaper: LA Daily News

Item No.	Description	Qty	Unit	Engineered Machined Products, Inc.		Gillig LLC		Westwind Trading Company	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
1	Engine Cooling Electric Fan System for NABI Model 45CLFW-03 buses	75	EA	\$12,600.20	\$945,015.00	\$14,108.30	\$1,058,122.50	\$14,208.30	\$1,065,622.50
2	Engine Cooling Electric Fan System for NABI Model 45CLFW-03 buses	16	EA	\$12,600.20	\$201,603.20	\$14,108.30	\$225,732.80	\$14,208.30	\$227,332.80
<b>Sub Total</b>					\$1,146,618.20		\$1,283,855.30		\$1,292,955.30
<b>Sales Tax 8.75%</b>					\$100,329.09		\$112,337.34		\$113,133.59
<b>Total Bid (including taxes and freight)</b>					\$1,246,947.29		\$1,396,192.64		\$1,406,088.89

*Engineered Machine Products*  
 I hereby certify \_\_\_\_\_ as being the lowest responsive, responsible bidder and recommend the award to them for total price, excluding sales tax, of \$ 1,246,947.29  
 8/17/12 \_\_\_\_\_  
 Date Signature