

**Metro**Los Angeles County  
Metropolitan Transportation AuthorityOne Gateway Plaza  
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metro.net**SYSTEM SAFETY AND OPERATIONS COMMITTEE  
NOVEMBER 21, 2013****SUBJECT: LIGHT RAIL VEHICLE AUXILIARY INVERTERS****ACTION: APPROVE CONTRACT AWARD****RECOMMENDATION**

Award a firm fixed price contract under Bid No.13-0028 to Transtechnik Corporation, USA, the lowest responsive and responsible bidder for Auxiliary Inverters for an amount not-to-exceed \$ 2,981,400.

**ISSUE**

This procurement is for the acquisition of auxiliary inverters which are required for maintaining the safe and reliable operation of the Metro Blue Line P865/P2020 rail fleet. The auxiliary inverters will replace the existing motor alternators that are more than 22 years old. The motor alternators are becoming less reliable due to age, wear and tear, and obsolete components.

**DISCUSSION**

The Blue Line Nippon Sharyo P865/P2020 fleet is undergoing a program of component overhauls/replacements to improve overall fleet reliability. The function of the auxiliary inverter is to convert the overhead catenary line voltage of 750 VDC (voltage direct current) to 208 VAC (voltage alternating current) which operates the heating, ventilation and air conditioning system, lighting, air compressors for brake systems and blower system for the propulsion inverter and battery charging. The auxiliary inverters are the latest technology design and will provide more efficient and reliable service than the obsolete motor alternator.

**DETERMINATION OF SAFETY IMPACT**

Award of contract for the P865/P2020 LRV auxiliary inverters is an equipment technology upgrade and will replace outdated technology with declining reliability and escalated overhaul costs due to parts obsolescence of the equipment.

## **FINANCIAL IMPACT**

The total contract amount is \$2,981,400. Funding of \$500,000 for this procurement is included in the FY14 budget in Cost Center 3941 - Rail Fleet Services Maintenance Blue Line, line item 50441 - Parts - Revenue Vehicle, project 211018 – Blue Line Fleet Midlife.

Since this is a multi-year contract, the cost center manager, project manager, and Executive Officer, Rail Fleet Services will ensure that the balance of funds is budgeted in future fiscal years.

### **Impact to Budget**

The funding for this acquisition will come from local funds. This procurement is part of the on-going LRV preventive maintenance program.

## **ALTERNATIVES CONSIDERED**

One alternative is not to award the subject contract and continue to perform recurring maintenance on the existing equipment. Postponing the award is not recommended as the auxiliary inverter is a vital component to the rail car operation and replacement is necessary to avoid an impact on rail car operations, service reliability, customer comfort and safety. If this overhaul is not performed, there would be a high probability of greater labor and parts replacement costs as parts fail past the expected preventive maintenance replacement schedule. Additionally, unscheduled maintenance repair cost on a per component basis will result in higher operating costs as compared to the reduced costs when performing this work as a regularly scheduled replacement.

## **NEXT STEPS**

Installation of the auxiliary inverters on the Metro Blue Line P865/P2020 light rail cars will proceed under the provisions of the contract.

## **ATTACHMENTS**

- A. Procurement Summary
- B. Bid Tabulation

Prepared by: Richard M. Lozano, Executive Officer Rail Vehicle Maintenance  
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Michelle Lopes Caldwell  
Chief Administrative Services Officer

  
Debra A. Johnson  
Interim Chief Operations Officer

  
Arthur T. Leahy  
Chief Executive Officer

**PROCUREMENT SUMMARY**  
**AUXILIARY INVERTERS**

1.	Contract Number: 13-0028	
2.	Recommended Vendor: Transtechnik Corporation USA	
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: February 25, 2013	
	B. Advertised/Publicized: February 22, 2013	
	C. Pre-proposal/Pre-Bid Conference March 5, 2013:	
	D. Proposals/Bids Due: June 4, 2013	
	E. Pre-Qualification Completed: Yes	
	F. Conflict of Interest Form Submitted to Ethics: Yes	
	G. Protest Period End Date: November 19, 2013	
5.	Solicitations Picked up/ Downloaded: 26	Bids/Proposals Received: 3
6.	Contract Administrator: Sherri Jackson	Telephone Number: 213-922-1025
7.	Project Manager: Nick Madanat	Telephone Number: 213-922-3340

**A. Procurement Background**

Procurement of 75 Auxiliary Inverters for the Metro Blue Line P865/P2020 cars was conducted as a formal sealed bid, competitive acquisition, in support of awarding a contract in order to ensure availability and price stability.

IFB 13-0028 was advertised February 22, 2013 and issued February 25, 2013. Contract type is firm-fixed price and three amendments were issued during the solicitation phase of this IFB:

- Amendment 1 issued on March 5, 2013 added site visit to the bid per request from prospective bidder.
- Amendment 2 issued on April 17, 2013 was a formal response to a question received from a prospective bidder.
- Amendment 3 issued May 2, 2013 extended the bid due date.

## **B. Evaluation of Proposals/Bids**

A total of three bids were received on June 4, 2013. The apparent low bidder ABB, Inc. was found to be non-responsive because their bid included a number of exceptions and conditions. The firm recommended for award, Transtechnik Corporation USA was found to be in full compliance with the bid requirements.

	<b>Bidder/Proposer Name</b>	<b>Bid/Proposal Amount</b>
1.	Transtechnik Corporation USA	\$2,981,400
2.	Vossloh Kiepe, Inc	\$4,035,900

## **C. Cost/Price Analysis**

The recommended bid price of \$2,981,400 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive, responsible bidder.

## **D. Background on Recommended Contractor**

Transtechnik Corporation originated in Germany in 1968 and has been in business for over 40 years. In 2006, they established a United States location. They have expertise in Auxiliary Power Supplies, Battery Chargers and Low Voltage Power Supply. Transtechnik supplies various parts for the Metro Green Line.

Transtechnik does business with various other transit agencies and rail companies, both domestic and international including Metropolitan Atlanta Rapid Transit Authority (MARTA), Dallas Area Rapid Transit (DART), San Diego Trolley Inc., Alstom, Kinkisharyo, Nippon Sharyo and Kawasaki Rail Car. Transtechnik has provided satisfactory service and delivery to Metro.

## **E. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 5% Disadvantaged Business Enterprise (DALP) goal for this solicitation. Transtechnik Corporation USA made a 0% DALP commitment. Achieving the DALP percentage is neither a condition of award nor an issue of responsiveness.

ATTACHMENT B

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION  
 Bid No: 13-0028 Auxillary Inverter for the Blue Line Rail Cars

Bids Out: 02/25/13 Total 26  
 Bids Opened: 06/04/13 Total 3  
 Advertisement Date(s): 02/22/13  
 Newspaper: LA Daily News

Description	Qty	Unit	ABB Inc. *includes NRC Fees		Transtechnik Corp. USA		Vossloh Kiepe, Inc.	
			Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
Auxiliary Inverter	75	EA	\$34,000.00	\$2,550,000.00	\$39,752.00	\$2,981,400.00	\$53,812.00	\$4,035,900.00
<b>Total</b>				<b>\$2,875,000.00</b>		<b>\$2,981,400.00</b>		<b>\$4,035,900.00</b>

I hereby certify Transtechnik Corporation, USA as being the lowest responsive, responsible bidder, and recommend the award to them for total price, of \$2,981,400.

October 14, 2013  
 Date

  
 Signature