

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000 Tel
metro.net**SYSTEM SAFETY AND OPERATIONS COMMITTEE
JANUARY 16, 2014****SUBJECT: BUS – PULSE WIDTH STEPPER VALVES (PSV)****ACTION: AWARD CONTRACT FOR PULSE WIDTH STEPPER (PSV) VALVES****RECOMMENDATION**

Award a 24-month, firm fixed price contract under Bid Number 14-0011 to Muncie Reclamation & Supply, the lowest responsive and responsible bidder for Pulse Width Stepper (PSV) valves for an amount not to exceed \$1,482,906 inclusive of sales tax and a one year option.

ISSUE

The PSV valve is an integral part of the Series 50G natural gas engine fueling system that meters fuel delivery to the engine. There are 373 NABI and New Flyer buses with the Series 50 engine and each engine is equipped with one PSV valve. The standard warranty period of these valves is 12 months.

DISCUSSION

Transit Operations replaces the PSV valve as part of the preventive maintenance program for every bus. The PSV valves will be placed in inventory and used as required. This method of inventory control has been one of the factors leading to minimal buses inoperable due to lack of parts. In fact, Metro is an industry leader in this key performance indicator.

DETERMINATION OF SAFETY IMPACT

Award of contract will ensure that all operating divisions have adequate inventory to repair and maintain the buses according to Metro Maintenance standards.

FINANCIAL IMPACT

The funding of \$275,790 for these products is included in the FY14 budget under multiple bus operating cost centers in project 306002 Operations Maintenance under Line 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 including any option exercised.

Impact to Budget

The source of funds for this procurement is bus operating funds. No other source of funds was considered because these funds are specifically designated for bus operations.

ALTERNATIVES CONSIDERED

The alternative is to not award the contract and continue to procure PSV valves on an as-needed basis at a higher cost. This approach is not recommended since it does not provide a commitment from the supplier to ensure availability and price stability.

NEXT STEPS


Metro's requirements for bus differentials will be fulfilled under the provisions of the contract.

ATTACHMENTS

- A. Procurement Summary
- B. Bid Tabulation

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Chief Administrative Services Officer


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Interim Chief Operations Officer


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Chief Executive Officer

**PROCUREMENT SUMMARY
PSV VALVES**

1.	Contract Number: 14-0011	
2.	Recommended Vendor: <ul style="list-style-type: none"> • Muncie Reclamation and Supply, 3720 S. Madison Street, Muncie, IN 47302 	
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: 9/26/13	
	B. Advertised/Publicized: 10/2/13	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 11/14/13	
	E. Pre-Qualification Completed: N/A	
	F. Conflict of Interest Form Submitted to Ethics: Yes	
	G. Protest Period End Date: January 6, 2014	
5.	Solicitations Picked up/Downloaded: 20	Bids/Proposals Received: 4
6.	Contract Administrator: Tanya Allen	Telephone Number: (213) 922-1018
7.	Project Manager: John Roberts	Telephone Number: (213) 922-5060

A. Procurement Background

Procurement of PSV valves was conducted as a formal sealed bid, competitive acquisition, in support of awarding a long-term Master Agreement in order to ensure availability and price stability.

IFB 14-0011 was issued September 26, 2013 and advertised October 2, 2013. Contract type is Firm-Fixed Price (FFP), and no Amendments were issued.

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

B. Evaluation of Proposals/Bids

A total of four bids were received November 14, 2013. The firm recommended for award, Muncie Reclamation & Supply was found to be in full compliance with the bid requirements.

	Bidder/Proposer Name	Bid/Proposal Amount
1.	Muncie Reclamation and Supply	\$1,482,906
2.	Drake Controls-West LLC	\$1,543,273
3.	Valley Power Systems, Inc.	\$2,741,646
4.	Gillig LLC	\$3,478,835

C. Cost/Price Analysis

The recommended bid price of \$1,482,906 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder.

D. Background on Recommended Contractor

The responsive and responsible low bidder, Muncie Reclamation and Supply is located in Muncie, IN and has been a distributor of bus parts and other related products for 60 years. Muncie has provided similar products to other transit agencies including New York City Transit Authority, Chicago Transit Authority, Regional Transit Denver, Utah Transit and other agencies. To date, Muncie has provided satisfactory service and products to Metro on previous purchases.

E. Small Business Participation

The Diversity and Economic Opportunity Department recommended a 0% Race conscious Disadvantage Business Enterprise for this procurement. The recommended awardee did not list any DBE subcontractor nor commit to any DBE participation.