

**Board Report**

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**File #:** 2017-0835, **File Type:** Contract**Agenda Number:** 23.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
APRIL 12, 2018****SUBJECT: RIGGING SERVICES FOR METRO RED LINE AND  
PURPLE LINE STATIONS****ACTION: AWARD CONTRACT****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP97901000-48045 for rigging services at the Metro Red Line and Purple Line stations to United Riggers & Erectors, Inc. for the five-year period covering May 1, 2018 through May 1, 2023, for an amount not-to-exceed \$2,893,200.

**ISSUE**

Large power transformers, emergency ventilation fan motors, uninterruptible power supply (UPS) and battery banks eventually fail due to aging and fatigue caused by mechanical and electrical stresses. These equipment/components must be replaced if a failure occurs or if preventive maintenance determines that they will fail. The physical attributes, including weight and size, of this equipment and the design of the station/location where they are installed or utilized requires the use of professional rigging services so they can be replaced in the event of equipment failure.

**DISCUSSION**

The current contract for rigging services for Metro's Red and Purple Line stations is set to expire in April 2018. The Metro Red and Purple heavy rail lines serve a total of 16 passenger stations and two underground power facilities. These Metro facilities are powered by large power transformers weighing up to 44,000 pounds each. Ventilation for the tunnels connecting passenger stations is provided by large emergency ventilation fans weighing up to 2,000 pounds. Each passenger station also requires ventilation and this is accomplished by utilizing large air handling units.

Emergency backup power for passenger stations is provided by large industrial UPS in accordance with Metro's Fire and Life Safety Program and Supervisory Control and Data Acquisition (SCADA) system. These UPS utilizes large banks of industrial type batteries that weigh up to 40,000 pounds.

Power transformers, large motor fans, and battery banks eventually fail due to age and fatigue caused by mechanical and electrical stresses. Therefore, equipment must be replaced as soon as

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failures occur in order to maintain a safe and reliable rail passenger service. Replacement of this heavy equipment requires the use of a professional rigging contractor to safely remove defective equipment, install new equipment and undertake small engineering tasks to address installation issues that may be encountered at each work site.

Rigging is complex and can involve engineering, a crane, rigging and traffic control. Rigging will include a technical analysis of the scope of work for each task at each site. From the technical analysis, a safe method or work plan is developed to move, lift and hoist the equipment. Each work site requires a unique work plan and method. The work plan and method of execution determines the resources required, such as size of crane, a list of tools to be used, and the labor skills and crafts required. Often times, engineering modifications are required to adjust equipment to fit in the designed configuration.

### **DETERMINATION OF SAFETY IMPACT**

Approval of the recommendation will have a positive impact on safety. As power transformers, large motor fans and battery banks approach failure due to aging and fatigue, this equipment shall be replaced to provide reliable and uninterrupted rail service to patrons, employees and the public. This Contract will ensure compliance with Rail System Fire and Life Safety guidelines of Metro and the California Public Utilities Commission (CPUC).

### **FINANCIAL IMPACT**

The total five year contract amount is \$2,893,200. Funding of \$100,000 for the current fiscal year is included in the FY18 budget in cost center 3960, Traction Power under project 205106, MRL UPS/Battery Replacement. Since this is a multi-year contract, Senior Executive Officer, Rail Maintenance and Engineering and cost center manager will be budgeting the cost in future years.

#### **Impact to Budget**

The source of funds for this action will come from Proposition C40 and other funding sources that are eligible for Rail Capital Projects. Use of these funding sources will maximize allowable funding allocations given approved funding provisions.

### **ALTERNATIVES CONSIDERED**

The Board may decline to approve the contract award. This alternative is not recommended because Metro does not have internal staff resources to provide rigging services. Furthermore, since these equipment support critical passenger station functions, their dysfunctions may limit Metro's ability to execute emergency procedures should an incident occurs. The failure of the equipment can impact the quality of rail service and expose Metro, its patrons, employees and the public to a greater safety risk.

### **NEXT STEPS**

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Upon Board approval, staff will execute Contract No. OP97901000-48045, with United Riggers & Erectors, Inc., to provide rigging services.

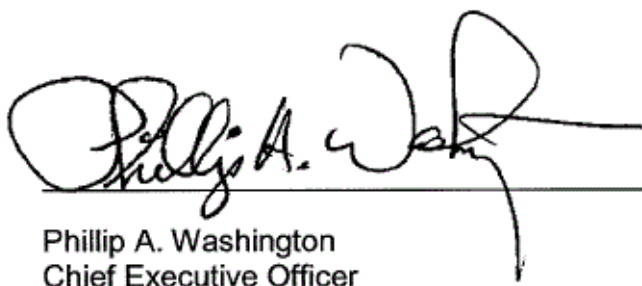
**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

RIGGING SERVICES FOR METRO RED LINE AND PURPLE LINE STATIONS/  
OP97901000-48045

1.	<b>Contract Number:</b> OP97901000-48045	
2.	<b>Recommended Vendor:</b> United Riggers & Erectors, Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> November 21, 2017	
	<b>B. Advertised/Publicized:</b> November 21, 2017	
	<b>C. Pre-Proposal Conference:</b> November 30, 2017	
	<b>D. Proposals Due:</b> January 8, 2018	
	<b>E. Pre-Qualification Completed:</b> January 23, 2018	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> January 18, 2018	
	<b>G. Protest Period End Date:</b> April 16, 2018	
5.	<b>Solicitations Picked up/Downloaded:</b> 7	<b>Bids/Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Aielyn Dumaua	<b>Telephone Number:</b> (213) 922-7320
7.	<b>Project Manager:</b> Winston Dixon	<b>Telephone Number:</b> (213) 922-3323

**A. Procurement Background**

This Board Action is to approve the award of Contract No. OP97901000-48045 to United Riggers & Erectors, Inc. to provide rigging services for Metro Red Line and Purple Line Stations.

Request for Proposal (RFP) No. OP48045 was issued as a competitive negotiated procurement in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate. The RFP was open only to Metro Certified Small Business firms.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on December 14, 2017, extended the proposal due date and revised the Statement of Work to include small engineering services, such as design and install permanent lifting I-Beams.

RFP No. OP48045 was released on November 21, 2017, as a competitive procurement open only to Metro certified small businesses. The solicitation was available for download from Metro's website. Advertisements were placed in four leading publications within Los Angeles County (Los Angeles Daily News, Watts Times, La Opinion and The Korean Times) to notify potential proposers of this solicitation. Metro notified potential proposers from Metro's vendor database based on applicable North American Industry Classification System (NAICS) codes. Furthermore, two weeks prior to the RFP issue date, Metro reached out and

encouraged other potential prime contractors to apply for Metro SBE certification and participate in this solicitation.

A pre-proposal conference and site visit were held on November 30, 2017 and was attended by one participant.

Seven firms downloaded the RFP and were included on Metro's planholders' list. No questions were received regarding the solicitation. One proposal was received on January 8, 2018.

Since only one proposal was received, Metro staff canvassed 18 potential proposers, including Metro certified SBE firms, other rigging firms, and firms on the planholders list who did not propose, to determine why no other proposals were received. The following is a summary of the market survey:

1. Potential proposer is a Metro certified SBE firm but does not have the technical capabilities to pursue this project as a prime contractor.
2. Potential proposer is a Metro certified SBE firm but was not interested in submitting a proposal because they currently have a lot of work.
3. Potential proposer is a Metro certified SBE but does not provide rigging services.
4. Potential proposer is a Metro certified SBE firm engaged in the sale, rental and/or repair of construction/heavy equipment only.
5. Potential proposer is not a Metro certified SBE firm and does not have the technical capabilities to pursue this project as a prime contractor.
6. Potential proposer can be certified by Metro as an SBE firm but chose to focus on other opportunities outside of Metro.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from Rail Maintenance-of-Way (MOW), Traction Power Systems, Rail MOW Engineering, and Logistics was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria and weights:

- |   |            |
|---|------------|
| • Qualification and Experience of the Prime Contractor/Team | 30 percent |
| • Qualifications and Experience of Key Personnel            | 20 percent |
| • Management Plan/Approach                                  | 30 percent |
| • Price Proposal  | 20 percent |

The evaluation criteria are appropriate and consistent with criteria developed for similar rigging services. Several factors were considered when developing these weights, giving the greatest importance to the qualifications and experience of the prime contractor/team and management plan/approach.

United Riggers & Erectors, Inc. (URE), the incumbent, was the only proposer that responded to this solicitation. The PET determined that the technical proposal received from URE addressed the RFP requirements and that its personnel are qualified and experienced with all aspects of the required tasks. Based on a thorough evaluation of the proposal, the PET determined URE to be technically qualified to perform the work.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>United Riggers &amp; Erectors, Inc.</b>				
3	Qualification and Experience of the Prime Contractor/Team	87.53	30.00%	26.26	
4	Qualifications and Experience of Key Personnel	85.00	20.00%	17.00	
5	Management Plan/Approach	91.11	30.00%	27.33	
6	Price Proposal	100.00	20.00%	20.00	
7	<b>Total</b>		<b>100.00%</b>	<b>90.59</b>	<b>1</b>

**C. Cost/Price Analysis**

The recommended fully burdened rates for the labor classifications and equipment required have been determined to be fair and reasonable based on price analysis, cost analysis, technical evaluation, fact-finding and negotiations.

Work for this Contract will be authorized through the issuance of separate task orders. Each future task order will contain a specific Statement of Work, which the Contractor will provide a cost proposal according to the requirements. A cost/price analysis will be performed, as appropriate, on task orders issued.

**D. Background on Recommended Contractor**

The recommended firm, United Riggers & Erectors, Inc. (URE), located in Walnut, CA, has been in business for 52 years. It initially focused on rigging and transport of heavy machinery. Soon after, URE expanded into general construction services which included structural concrete, structural steel erection, piping and machinery maintenance. The proposed project manager has over 40 years of experience in the construction industry and had been an active member of the Ironworkers Local #433, Los Angeles, for 29 years. He is the project manager of the current contract. URE has been providing rigging services to Metro for over 10 years and performance has been satisfactory. URE is a Metro certified small business firm.

**DEOD SUMMARY**

**RIGGING SERVICES FOR METRO RED LINE AND PURPLE LINE STATIONS/  
OP97901000-48045**

**A. Small Business Participation**

Pursuant to Metro’s Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro’s website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to **SBE Certified Small Businesses Only**.

United Riggers & Erectors, Inc. is an SBE Prime that is performing 100% of the work with its own workforce.

**SMALL BUSINESS SET-ASIDE**

<b>SBE Prime Contractor</b>	<b>SBE % Committed</b>
United Riggers & Erectors, Inc (Prime)	100%
<b>Total</b>	<b>100%</b>

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is not applicable to this Contract.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors’ compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.