



Board Report

File #: 2018-0497, File Type: Contract

Agenda Number: 28.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE SEPTEMBER 20, 2018

SUBJECT: RAIL EMERGENCY RESPONSE UNIT CONTRACT

ACTION: CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed price Contract No. OP51822000 with Brandt Group, Road Rail Division, the lowest responsive and responsible bidder, for one (1) Rail Emergency Response Unit in the amount of \$1,429,680 inclusive of sales tax, subject to resolution of protest(s), if any.

ISSUE

This procurement is for the replacement of a Metro owned and operated Heavy Duty Rail Recovery Truck (Rail Emergency Response Unit). This equipment is required to support the Rail Fleet Services (RFS) maintenance function of the Light Rail Vehicle (LRV) fleet throughout the Metro system.

BACKGROUND

A rail emergency response unit is used for three main purposes: 1) Pulling stranded LRVs from rail lines due to traction power, overhead catenary system (OCS), or LRV failures, 2) Re-railing LRVs that have derailed on the track, and 3) Commissioning of Mainline and yard to test track and LRVs before start-up of new rail lines or yards.

DISCUSSION

Metro owns and operates three rail emergency response units that are currently deployed at strategic locations supporting service on the Metro Blue, Gold, Green, and Expo, and the rapidly approaching Crenshaw light rail lines. Of these three units, one has been in operation since 1998 and is scheduled for replacement.

The new machine has tandem drive units that provide the ability to negotiate tight curves, specialized couplers to match the LRV's power supply and braking capabilities, contains on-chassis cabinets for re-railing tools and equipment. In addition, the vehicle will have specialized lighting to augment work at night or any dimly lit conditions such as tunnels.

This purchase of a new rail emergency response unit will provide Metro RFS with the equipment for

the consistent, timely and effective recovery, testing, yard movement and maintenance of the Metro LRV fleet for the next 20 years.

DETERMINATION OF SAFETY IMPACT

The purchase of a new rail emergency response vehicle will provide Metro with an advanced rail recovery vehicle that will ensure that Metro RFS has the equipment needed to quickly and effectively respond to rail system derailments and other emergencies. Response time is a critical factor to ensure the safety of our train operators, patrons, and the general public.

FINANCIAL IMPACT

The recommendation for award is \$1,429,680. The funding is included in the LOP of capital project 208601 - Non Rev High Rail Replacement in Cost Center 3790 Maintenance Administration; Account 53106, Acquisition of Service Vehicle. The delivery of the equipment is scheduled up to 12 months after the date of award.

Since this is a multi-year procurement, the cost center manager and project manager will ensure that expenditures are budgeted in future Fiscal Years.

Impact to Budget

The current funding for this acquisition is TDA Article 4. This funding source maximizes allowable fund use given approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation supports the following Metro Strategic Plan Goal: Provide high quality mobility options that enable people to spend less time travelling. This project will improve safety, service, specifically response times during emergencies, in an effort to provide a world-class transportation system that enhances quality of life for all who live, work, and play within LA County.

ALTERNATIVES CONSIDERED

Staff considered leasing additional equipment and/or contracting out emergency rail recovery services, but it was found to be cost prohibitive and not recommended. Further, rail recovery is an in-house task currently performed by ATU contract personnel. Contracting out this service would conflict with the Metro/ATU Collective Bargaining Agreement.

The alternative of retaining the existing rail emergency response unit for active continuous service is not recommended. Diminished reliability, high maintenance costs, scarcity of spare parts and frequent repairs over the past several years has rendered the use of the existing unit a poor alternative for continued primary operation, however, the back-up function is a cost effective solution while primary units get needed repairs or maintenance.

Not purchasing the recommended rail emergency response unit will significantly reduce the ability of Metro RFS to effectively respond to Metro light rail emergencies and support LRV commissioning.

Further, the expansion of the Metro rail system requires the purchase of new, reliable and advanced equipment to ensure effective and timely response to LRV emergencies on Metro system for the next 20 years. A do not purchase option is not recommended.

NEXT STEPS

Following the authorization and execution of the contract, the vendor will begin the manufacturing process and provide Metro with a production schedule to identify milestones consistent with the scheduled delivery of the equipment 12 months after the award of the contract.

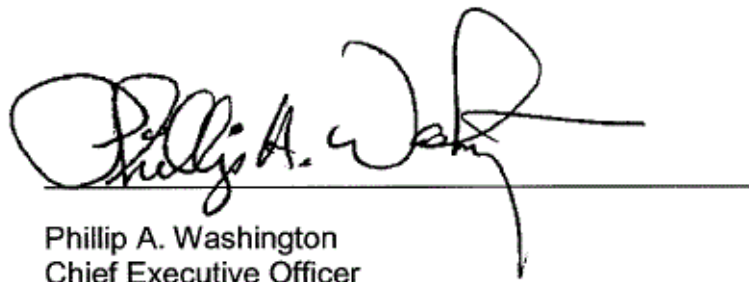
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Michael Ornelas, Sr. Director Rail Vehicle Maintenance, (213) 922-3223
Daniel Ramirez, Division Maintenance Superintendent, (213) 922-5797

Reviewed by: Debra Avila, Chief, Vendor/Contract Management, (213) 922-6383 James T. Gallagher, Chief Operations Officer, (213) 418-3108



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

HEAVY DUTY RAIL RECOVERY TRUCK (RAIL EMERGENCY RESPONSE UNIT)
OP51822000

| | | |
|----|---|--|
| 1. | Contract Number: OP51822000 | |
| 2. | Recommended Vendor: Brandt Road Rail | |
| 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: 03/30/2018 | |
| | B. Advertised/Publicized: 04/02/2018 | |
| | C. Pre-Bid Conference: 04/11/2018 | |
| | D. Bids Due: 05/17/2018 | |
| | E. Pre-Qualification Completed: 07/9/2018 | |
| | F. Conflict of Interest Form Submitted to Ethics: 05/18/2018 | |
| | G. Protest Period End Date: 09/20/2018 | |
| 5. | Solicitations Picked up/Downloaded: 11 | Bids Received: 1 |
| 6. | Contract Administrator: Aryani L. Guzman | Telephone Number: 213-922-1387 |
| 7. | Project Manager: Dan Ramirez | Telephone Number: 562-658-0231 |

A. Procurement Background

This Board Action is to approve Contract No. OP51822000 issued in support of the procurement of a heavy duty rail recovery truck. Board approval of contract award is subject to resolution of any properly submitted protest.

IFB No. OP51822 was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price.

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

- Amendment No. 1, issued on April 18, 2018, revised the bid due date.

A total of one bid was received on May 17, 2018.

B. Evaluation of Bids

This procurement was conducted in accordance, and complies with Metro’s Acquisition Policy for a single bid from Brandt Road Rail.

Brandt Road Rail was determined to be responsive and responsible to the IFB requirements, and in full compliance with the technical requirements.

Market Survey

Metro staff conducted a market survey to determine the reasons for the lack of formal bid responses to this IFB from other suppliers/distributors.

Ten firms downloaded the solicitation and based on staff’s communication with the plan-holders, eight indicated they were unable to meet the technical specifications. The two remaining plan-holders indicated they were unable to submit a competitive price. Staff also determined that there were no restrictive elements in the IFB requirements, and that the solicitation was conducted in a competitive environment.

C. Price Analysis

The recommended bid price from Brandt Road Rail is the result of an open competitive bid process in a competitive environment. The bidder prepared its bid with the expectation of adequate price competition. Both Metro and the supplier anticipated there would be more than one acceptable bid submitted. The formal bid received reflects this anticipated competition. Overall the total bid price has been deemed fair and reasonable.

| Bidder Name | Bid Amount | Metro ICE |
|--------------------|-------------------|--------------------|
| Brandt Road Rail | \$1,429,680 | \$1,450,000 |

D. Background on Recommended Contractor

The recommended firm, Brandt Road Rail, located in Saskatchewan, Canada, has been in business for 80 years and is a leader in machine manufacturing, engineering, design and development of top heavy duty equipment. Their products are used in 20 countries and on several continents including Australia, North America and Europe. Brandt Road Rail has provided heavy duty rail car mover trucks to Hensel Phelps/Herzog JV (Los Angeles, CA) and Foothill Transit (Azusa, CA).

DEOD SUMMARY

HEAVY DUTY RAIL RECOVERY TRUCK (RAIL EMERGENCY RESPONSE UNIT)
OP51822000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small/Disabled Veteran Business Enterprise (SBE/DVBE) goal for this procurement, which involves the purchase of one heavy duty rail recovery truck. DEOD determined that there was a lack of availability of SBE certified firms to purchase the heavy duty rail recovery truck directly from the manufacturer's local dealers.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.