



Board Report

File #: 2019-0111, File Type: Contract

Agenda Number: 20.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE APRIL 18, 2019

SUBJECT: PURCHASE OF SAFETY VESTS

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a two-year, firm fixed price Contract No. MA57367000 to KNS Industrial Supply, the lowest responsive and responsible bidder for Safety Vests. The one-year base contract amount is \$576,350 inclusive of sales tax, and the one-year option amount is \$590,741, inclusive of sales tax, for a total contract amount of \$1,167,091, subject to resolution of protest(s), if any.

ISSUE

This procurement is for the acquisition of reflective safety vests that are required to improve the visibility and maintain the safety of Metro employees. Award of this contract will ensure adequate and timely availability of reflective safety vests for bus and rail operators, maintenance employees, and administrative staff.

BACKGROUND

Metro requires both general duty and high hazardous style safety vests to protect and ensure the safety of bus and rail operators, maintenance employees, and administrative staff working in safety sensitive areas. The component usage reports from Material Management revealed that approximately 14,000 general duties and 3,500 high hazard reflective safety vests were issued over a 12 month period throughout the various departments at Metro. Transportation and maintenance personnel working at operating and support facilities, layover zones, and other safety sensitive areas must wear reflective safety vests in accordance with department rules and procedures. In addition, personnel engaged in construction activities or accident investigations must wear reflective safety vests.

DISCUSSION

Metro issues new reflective safety vests to transportation, maintenance, and administrative employees who are assigned to work in safety sensitive areas. The reflective safety vests are stocked in various sizes at division storerooms at bus and rail operating divisions. The Material Management department oversees the distribution of reflective safety vests to ensure availability and

accountability to both operating and support departments in accordance with department safety procedures.

The contract to be awarded is a “requirements type” agreement in which Metro commits to order safety vests from the contract awardee in an estimated range of quantities with no obligation or commitment to order any specific quantity of the various styles and/or sizes of the reflective safety vests. The IFB solicitation quantities are based on Metro’s estimated overall usage. Therefore, the selected contract awardee must be able to fulfill all of Metro’s safety vest requirements in a timely manner. The Diversity and Economic Opportunity Department (DEOD) documented a sixty percent (60%) SBE commitment by KNS Industrial Supply and verified that they are meeting the Small Business Prime Set-Aside requirements established for this procurement.

The reflective safety vests will be purchased, maintained and managed by Material Management. As reflective safety vests are issued, the appropriate charge information will be utilized.

DETERMINATION OF SAFETY IMPACT

Award of contract will ensure that all operating divisions and the Central Maintenance Shops have adequate and timely availability of safety vests for employees to wear in safety sensitive areas in accordance with department rules and procedures. The reflective safety vests improve employee visibility to prevent accidents and injuries.

FINANCIAL IMPACT

Funding in the amount of \$576,350 for the reflective safety vests is included in the FY19 budget under account 50441, Parts - Revenue Vehicle in multiple bus and rail division operating cost centers under Operations bus projects 306002 and rail projects 300022, 300044, 300066, 300055, 300033.

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.

Impact to Budget

The current source of funds for this action includes fare revenues as well as Proposition A/C, Measure R/M, and the Transportation Development Act. Use of these funding sources currently maximizes funding allocations given approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The procurement of reflective safety vests supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The new reflective safety vests will ensure the safety of employees assigned to operate and maintain the bus and rail fleet, which is important in ensuring that our customers are able to arrive at their destinations without interruption and in accordance with the scheduled service intervals.

ALTERNATIVES CONSIDERED

The alternative not to award the contract and procure reflective safety vests on the open market on an as-needed basis 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 reflective safety vests will be fulfilled under the provisions of the contract.

ATTACHMENTS

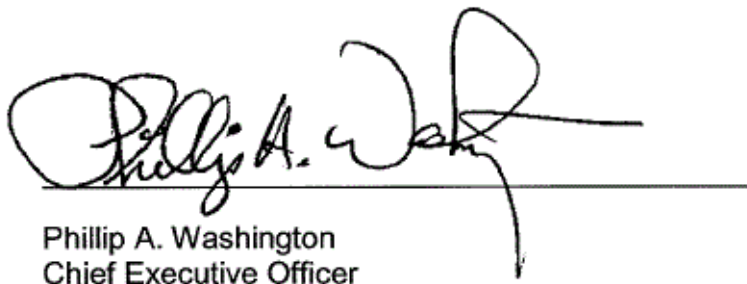
Attachment A - Procurement Summary

Attachment B - Bid Tabulation

Attachment C - DEOD Summary

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Reviewed by: Debra Avila, Chief, Vendor/Contract Management (213) 418-3051
James T. Gallagher, Chief Operations Officer (213) 418-3108



Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY
PURCHASE OF SAFETY VEST
CONTRACT NO. MA57367000

1.	Contract Number: MA57367000	
2.	Recommended Vendor: KNS Industrial Supply	
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: September 19, 2018	
	B. Advertised/Publicized: September 19, 2018	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: November 15, 2018	
	E. Pre-Qualification Completed: February 15, 2019	
	F. Conflict of Interest Form Submitted to Ethics: January 30, 2019	
	G. Protest Period End Date: : April 22, 2019	
5.	Solicitations Picked up/Downloaded: 28	Bids/Proposals Received: 3
6.	Contract Administrator: Tanya Allen	Telephone Number: 213/922-1018
7.	Project Manager: Alex DiNuzzo	Telephone Number: 213/922-5860

A. Procurement Background

This Board Action is to approve Contract No. MA57367000 issued for the procurement of Safety Vests. Board approval of contract award is subject to resolution of any properly submitted protest.

The Invitation for Bid (IFB) Number MA57367 was issued in accordance with Metro's Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

No amendment was issued during the solicitation phase of this IFB.

B. Evaluation of Bids

This procurement was conducted in accordance, and complies with LACMTA's Acquisition Policy for a competitive sealed bid. A total of three (3) bids were received on November 15, 2018.

The three (3) bidders are listed below in alphabetical order:

1. Globe Electric
2. KNS Industrial Supply
3. Paramount Safety Supply

KNS Industrial and Paramount Safety Supply were determined to be Responsive and Responsible, and in full compliance with the requirements of the IFB.

Although Globe Electric (GE) was the lowest price bidder they were determined to be not Responsible due to past performance delinquencies on the prior safety vest contract with Metro.

During the period of April 2018 through February 2019 GE had approximately 50 safety vest purchase order delinquencies that were greater than 30 days past due, and approximately 30 purchase orders that were less than 30 days past due.

Additionally, Metro conducted a Commercial Useful Function (CUF) analysis on each bidder as a part of its required IFB Responsive evaluation requirements. Metro found KNS and Paramount fully Responsive to the CUF requirements. GE was deemed non-Responsive due to their inability to meet the required due date of their submission.

Metro strictly adheres to its mandated safety federal, state, and local codes and regulations; and it adheres to its own agency stringent safety requirements. Safety vests are critical to Metro's ongoing operations. The on-time availability and accessibility of safety vests at all Metro properties, for Metro's employees and non-employees, are mandatory and of the highest priority.

C. Price Analysis

The recommended bid price from KNS Industrial Supply has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest Responsive and Responsible bidder.

Low Bidder Name	Bid Amount	Metro ICE
KNS Industrial Supply	\$1,167,091	\$905,107
Paramount Safety Supply	\$1,186,420	

D. Background on Recommended Contractor

The recommended firm, KNS Industrial Supply (KNS) is located in Fullerton, CA and has been in business for two and half years. KNS has provided similar products for other agencies including NASSCO General Dynamics located in San Diego CA, Zeta Gas, Veterans Administration Hospital located in Las Vegas, and the Los Angeles International Airport. KNS has no previous experience with Metro.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: MA57367 Safety Vests

ATTACHMENT B

Bids Out: 09/19/18 Total 28
 Bids Opened: 11/15/18 Total 3
 Advertisement Date(s): 09/19/18
 Newspaper: LA Daily News

Item	MTA No.	Description	Qty	Unit	Globe Electric Supply Co. Inc.		KNS Industrial Supply		Paramount Safety Supply	
					Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
12 MONTH - DOMESTIC ONLY										
1	180127	Vest – Safety, Small, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	750	EA	\$27.00	\$20,250.00	\$29.34	\$22,005.00	\$30.01	\$22,507.50
2	180128	Vest – Safety, Medium, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	2,050	EA	\$28.00	\$57,400.00	\$30.12	\$61,746.00	\$30.79	\$63,119.50
3	180129	Vest – Safety, Large, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	3,150	EA	\$29.00	\$91,350.00	\$31.24	\$98,406.00	\$31.94	\$100,611.00
4	180130	Vest – Safety, X-Large, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	3,250	EA	\$29.30	\$95,225.00	\$31.59	\$102,667.50	\$32.31	\$105,007.50
5	180131	Vest – Safety, 2-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	1,950	EA	\$29.80	\$58,110.00	\$32.12	\$62,634.00	\$32.85	\$64,057.50
6	180132	Vest – Safety, 3-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	600	EA	\$31.20	\$18,720.00	\$33.66	\$20,196.00	\$34.42	\$20,652.00
7	180133	Vest – Safety, 4-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	500	EA	\$31.90	\$15,950.00	\$34.38	\$17,190.00	\$35.15	\$17,575.00
8	180134	Vest – Safety, 5-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	250	EA	\$33.30	\$8,325.00	\$35.79	\$8,947.50	\$36.60	\$9,150.00
9	180135	Vest – Safety, 6-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	150	EA	\$34.30	\$5,145.00	\$36.91	\$5,536.50	\$37.75	\$5,662.50
10	180136	Vest – Safety, Small, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	100	EA	\$33.80	\$3,380.00	\$36.44	\$3,644.00	\$37.27	\$3,727.00
11	180137	Vest – Safety, Medium, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	400	EA	\$34.00	\$13,600.00	\$36.63	\$14,652.00	\$37.45	\$14,980.00
12	180138	Vest – Safety, Large, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	750	EA	\$35.80	\$26,850.00	\$38.57	\$28,927.50	\$39.45	\$29,587.50
13	180139	Vest – Safety, X-Large, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	750	EA	\$36.20	\$27,150.00	\$38.99	\$29,242.50	\$39.87	\$29,902.50
14	180140	Vest – Safety, 2-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	600	EA	\$36.90	\$22,140.00	\$39.75	\$23,850.00	\$40.66	\$24,396.00
15	180141	Vest – Safety, 3-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	350	EA	\$38.60	\$13,510.00	\$41.54	\$14,539.00	\$42.47	\$14,864.50
16	180142	Vest – Safety, 4-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	150	EA	\$39.90	\$5,985.00	\$43.02	\$6,453.00	\$43.98	\$6,597.00
17	180143	Vest – Safety, 5-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	75	EA	\$41.70	\$3,127.50	\$44.90	\$3,367.50	\$45.92	\$3,444.00
18	184144	Vest – Safety, 6-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	50	EA	\$43.50	\$2,175.00	\$46.86	\$2,343.00	\$47.92	\$2,396.00
Subtotal						\$488,392.50		\$526,347.00		\$538,237.00

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: MA57367 Safety Vests

OPTION 1 - DOMESTIC ONLY										
1	180127	Vest – Safety, Small, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	750	EA	\$27.80	\$20,850.00	\$30.07	\$22,552.50	\$30.40	\$22,800.00
2	180128	Vest – Safety, Medium, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	2,050	EA	\$28.84	\$59,122.00	\$30.87	\$63,283.50	\$31.19	\$63,939.50
3	180129	Vest – Safety, Large, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	3,150	EA	\$29.87	\$94,090.50	\$32.02	\$100,863.00	\$32.36	\$101,934.00
4	180130	Vest – Safety, X-Large, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	3,250	EA	\$30.10	\$97,825.00	\$32.38	\$105,235.00	\$32.73	\$106,372.50
5	180131	Vest – Safety, 2-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	1,950	EA	\$30.60	\$59,670.00	\$32.92	\$64,194.00	\$33.28	\$64,896.00
6	180132	Vest – Safety, 3-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	600	EA	\$32.10	\$19,260.00	\$34.51	\$20,706.00	\$34.87	\$20,922.00
7	180133	Vest – Safety, 4-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	500	EA	\$32.80	\$16,400.00	\$35.24	\$17,620.00	\$35.61	\$17,805.00
8	180134	Vest – Safety, 5-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	250	EA	\$34.25	\$8,562.50	\$36.69	\$9,172.50	\$37.08	\$9,270.00
9	180135	Vest – Safety, 6-XLarge, Mesh, General Duty ANSI 107-2015 Class 2, Level 2	150	EA	\$35.30	\$5,295.00	\$37.84	\$5,676.00	\$38.24	\$5,736.00
10	180136	Vest – Safety, Small, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	100	EA	\$34.80	\$3,480.00	\$37.36	\$3,736.00	\$37.75	\$3,775.00
11	180137	Vest – Safety, Medium, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	400	EA	\$35.00	\$14,000.00	\$37.54	\$15,016.00	\$37.94	\$15,176.00
12	180138	Vest – Safety, Large, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	750	EA	\$36.85	\$27,637.50	\$39.54	\$29,655.00	\$39.96	\$29,970.00
13	180139	Vest – Safety, X-Large, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	750	EA	\$37.20	\$27,900.00	\$39.96	\$29,970.00	\$40.39	\$30,292.50
14	180140	Vest – Safety, 2-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	600	EA	\$38.00	\$22,800.00	\$40.74	\$24,444.00	\$41.18	\$24,708.00
15	180141	Vest – Safety, 3-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	350	EA	\$39.75	\$13,912.50	\$42.57	\$14,899.50	\$43.02	\$15,057.00
16	180142	Vest – Safety, 4-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	150	EA	\$41.00	\$6,150.00	\$44.09	\$6,613.50	\$44.55	\$6,682.50
17	180143	Vest – Safety, 5-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	75	EA	\$42.95	\$3,221.25	\$46.02	\$3,451.50	\$46.52	\$3,489.00
18	184144	Vest – Safety, 6-XLarge, Mesh, High Hazardous ANSI 107-2015 Class 3, Level 2	50	EA	\$44.80	\$2,240.00	\$48.03	\$2,401.50	\$48.54	\$2,427.00
						\$502,416.25	\$539,489.50		\$545,252.00	
Subtotal Base and Option						\$990,808.75	\$1,065,836.50		\$1,083,489.00	
Sales Tax 9.5%						\$94,126.83	\$101,254.47		\$102,931.46	
GRAND TOTAL						\$1,084,935.58	\$1,167,090.97		\$1,186,420.46	

I hereby certify _____ as being the lowest responsive, responsible bidder and recommend the award to them for total price, including sales tax, of \$_____.

Date

Signature

DEOD SUMMARY

PURCHASE OF SAFETY VEST

CONTRACT NO. MA57367000

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 Small Business Set-Aside procurement. Accordingly, the Contract Administrator advanced that this solicitation was open to **SBE Certified Small Businesses Only** by, posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s).

KNS Industrial Supply, a SBE Prime Supplier, made a 60% SBE commitment. While the SBE Prime Supplier is performing 100% of the work with their own workforce, only 60% of the cost of materials and supplies can be credited towards its commitment.

SMALL BUSINESS PRIME (SET-ASIDE)

	SBE Prime Contractor	SBE % Committed
1.	KNS Industrial Supply (Prime)	60.00%
	Total Commitment	60.00%

B. Living/Prevailing 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 wages are not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

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