



**Board Report**

**File #:** 2020-0187, **File Type:** Contract

**Agenda Number:** 23.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE  
APRIL 16, 2020**

**SUBJECT: TIRE KITS FOR LIGHT RAIL VEHICLES**

**ACTION: APPROVE CONTRACT AWARD**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a 36-month, firm fixed price contract under Bid No. SD634320000 to ORX Railway Corporation the lowest responsive and responsible bidder for Tire Kits for an amount not to exceed \$2,125,956 subject to resolution of protest(s), if any.

**ISSUE**

This procurement is for the acquisition of tire kits which are required for maintaining safe and reliable operation of the AnsaldoBreda P2550 and KinkiSharyo P3010 rail fleets. This procurement is part of the on-going Light Rail Vehicles (LRV) preventive maintenance program which impacts safety, reliability and performance of rail service.

**DISCUSSION**

There are fifty (50) P2550 and one hundred eighty-five (185) P3010 cars in the Metro rail fleet currently assigned to the Gold, Blue, Expo, and Green Lines. Each vehicle is equipped with 12 steel tires. The steel tire travels on the rail and is the outside part of the wheel assembly. The tires are replaced based on mileage in accordance with the Rail Fleet Service’s maintenance schedule or when they no longer meet the appropriate tolerance size requirements. Tires per vehicle are changed at the same time so that the propulsion system is not adversely affected by tires of various dimensions.

**DETERMINATION OF SAFETY IMPACT**

Safety is of the utmost importance to Metro; therefore, it is imperative to maintain the P2550 and P3010 fleets to the highest standards. Award of contract will ensure light rail Divisions have adequate inventory to repair and maintain the rail cars according to Metro Maintenance standards.

**FINANCIAL IMPACT**

The total contract amount is \$2,125,956. Funding of \$200,000 for this procurement is included in the

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FY20 budget in Rail Cost Center 3944 and 3948, Rail Fleet Services Maintenance Gold Line and Monrovia, line item 50441 - Parts - Revenue Vehicle, project 300055 - Gold Line.

Since this is a multi-year contract, the cost center manager, project manager, and executive officer will ensure that the balance of funds are budgeted in future fiscal years.

Impact to Budget

The current source of funds for this action include operating eligible Measure R, Measure M, Passenger Fares, and Advertising revenues. Using these funding sources maximizes project funding allocations allowed by approved provisions and guidelines.

**IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Approval of this recommendation supports the following Metro Strategic Plan Goal 2) Deliver outstanding trip experience for all users of the transportation system.

**ALTERNATIVES CONSIDERED**

Deferral of this contract is not recommended as tire kits are a vital component to the vehicle operation and if not properly maintained, could result in equipment failures, service delays, risk to passenger safety, with negative impact to vehicle availability and reliability.

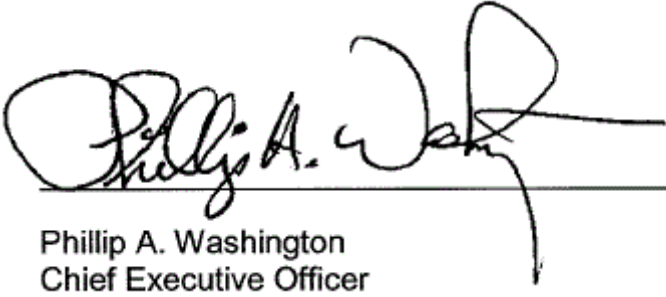
**NEXT STEPS**

Replacement of the steel tires on the applicable light rail vehicles will proceed under the provisions of the contract.

**ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary

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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## PURCHASE OF P2550 &amp; P3010 TIRE KIT SD63432

1.	<b>Contract Number:</b> SD634320000	
2.	<b>Recommended Vendor:</b> ORX One Park Avenue, Tipton, Pennsylvania 16684	
3.	<b>Type of Procurement (check one):</b> <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.	<b>Procurement Dates:</b>	
	A. <b>Issued:</b> June 27, 2019	
	B. <b>Advertised/Publicized:</b> June 28, 2019	
	C. <b>Pre-proposal/Pre-Bid Conference:</b> July5, 2019	
	D. <b>Proposals/Bids Due:</b> August 27, 2019	
	E. <b>Pre-Qualification Completed:</b> December 10, 2019	
	F. <b>Conflict of Interest Form Submitted to Ethics:</b> March 12, 2020	
	G. <b>Protest Period End Date:</b> :	
5.	<b>Solicitations Picked up/Downloaded:</b> 14	<b>Bids/Proposals Received:</b> 2
6.	<b>Contract Administrator:</b> Sherri Jackson	<b>Telephone Number:</b> 213/922-1025
7.	<b>Project Manager:</b> Mary Leigh	<b>Telephone Number:</b> 213/922-5860

**A. Procurement Background**

This Board Action is to approve Contract No.SD63432000 for the procurement of 612 P2550/P3010 Tire Kits for 36 months, with two-1-year options. Board approval of the contract award is subject to resolution of any properly submitted protest.

IFB No SD63432 was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price (FFP).

Two amendment were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on August 9, 2019 was to revise Pre-Qualification and Bid Opening/Closing date.

Amendment 2 issued on August 13, 2019 was to revise both the Technical Specifications and the Attachment A Pricing Sheet.

IFB No.SD63432 was released on June 28, 2019 as a competitive procurement

A total of two bid was received on August 27, 2019.

## **B. Evaluation of Bids**

This procurement was conducted in accordance and complies with LACMTA's Acquisition Policy for a competitive sealed bid. Two bids were received:

1. Penn Machine Company, LLC
2. ORX

Both ORX and Penn Machine was determined to be responsive and responsible to the IFB requirements, and capable of meeting the compliance of the technical requirements.

## **C. Price Analysis**

The recommended bid amount of \$ 2,125,956 is determined to be fair and reasonable based on an adequate and open competitive bid process. The recommended award amount is 21% lower than Metro's Independent Cost Estimate.

Low Bidder Name	Bid Amount	Metro ICE
ORX	\$2,125,956.00	\$2,691,976.00
Penn Machine Company	\$2,510,157.28	\$2,691,976.00

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

The recommended firm, ORX has been in business since 1979. ORX manufactures, overhauls and repairs axles, wheels, rail trucks and all related components for various types of rail vehicles, from light and heavy rail passenger railcars, freight, locomotives to industrial and historical vehicles. ORX has national and international clients, including public transit agencies such as Bay Area Rapid Transit (BART) Southeastern Pennsylvania Transportation Authority (SEPTA) and NJ Transit. ORX has performed satisfactorily on providing parts and services for the P2000, and P2550 Light Rail Vehicles and the A650 Heavy Rail Vehicles.

## DEOD SUMMARY

## PURCHASE OF P2550 &amp; P3010 TIRE KIT SD63432

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this solicitation. ORX exceeded the goal by making a 2.41% DBE commitment.

<b>Small Business Goal</b>	<b>2% DBE</b>	<b>Small Business Commitment</b>	<b>2.41% DBE</b>
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	<b>DBE Subcontractor</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	Transit Sourcing Services	Female Caucasian	2.41%
<b>Total Commitment</b>			<b>2.41%</b>

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

The Living Wage / 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. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.