



Board Report

File #: 2022-0730, File Type: Contract

Agenda Number: 37.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE NOVEMBER 17, 2022

SUBJECT: REFURBISH BUS AND RAIL SEAT INSERTS WITH VINYL MATERIAL

ACTION: APPROVE RECOMMENDATIONS FOR CONTRACT AWARDS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award two indefinite delivery/indefinite quantity (IDIQ) firm fixed unit rate contracts for RFP No MA91724 for the refurbishment of various seat inserts, as follows:

- A. Contract No. MA91724000 to Molina Manufacturing to provide vinyl seat refurbishment for Element A - NABI composite buses and Element C - Contracted Services buses. The contract not-to-exceed amount is \$978,873.26, effective December 1, 2022, through November 30, 2025, subject to resolution of protest(s), if any.
- B. Contract No. MA91724001 to Louis Sardo Upholstery, Inc. to provide vinyl seat refurbishment for Element B - P3010 light rail vehicles. The contract not-to-exceed amount is \$1,868,836.50, effective December 1, 2022, through November 30, 2025, subject to resolution of protest(s), if any.

ISSUE

This procurement will provide refurbishment of bus & rail car seat inserts with vinyl material for the remainder of Metro's bus and rail fleets. Fabric covered seat inserts can retain dust, dirt, moisture and germs, and fabric seat inserts are difficult to clean. Vinyl seats are easier to clean, sanitize, and wipe down, and a drain hole at the lowest point of the seat insert prevents moisture build-up from spills when buses are in service. The vinyl seat insert refurbishment procurement will provide Metro's bus and rail divisions with the inventory of vinyl seat inserts to convert remaining fleet from fabric to vinyl covered seat inserts.

Awarding these contracts will ensure that the operating divisions have adequate inventory to convert and maintain the bus & rail seat inserts. The vinyl seat inserts will improve bus and rail cleanliness and improve our customers' experience. Metro is working on the conversion of the entire bus and rail fleet to vinyl material by the end of Fiscal Year 2023, and the award of these contracts is expected to provide the inventory of vinyl seat inserts to achieve this objective. Management will closely monitor the delivery of seat inserts to verify that the contractor's production rate is sufficient to achieve the

goal of transitioning all remaining seat inserts to vinyl by the end of Fiscal Year 2023.

BACKGROUND

Seat inserts are plastic panels that are covered with fabric or vinyl material and are secured to the metal seat frame on bus and rail cars. Seat inserts are replaced when they become damaged, vandalized, soiled, or when spills result in unsanitary conditions.

The current fabric seat inserts retain dust, dirt, and moisture. Vinyl seat inserts do not retain dust, dirt, or moisture and include a drain hole to dissipate spills where a customer's clothing could become soiled. The vinyl seat material allows for improved cleaning and sanitization by providing a smooth surface to wipe and dry. Applying a sanitizing spray and performing a quick wipe down will provide an immediate dry and clean seat. Prior to the vinyl, fabric would have left a damp fabric that could provide a negative customer experience.

Several contracts are currently in place to complete most of the transition to vinyl seat covers. The following lists existing contracts for bus and rail vinyl seat refurbishment:

- Contract MA52153000 was exercised in September 2018 for refurbishment of seat inserts for the A650 Heavy Rail Vehicles.
- Contract MA59807000 was exercised in May 2019 for refurbishment of seat inserts for the P2550, P2000 and P2020 Light Rail Vehicles.
- Contract RR82767000 was exercised in June 2022 for refurbishment of seat inserts for most standard 40-foot buses in the fleet.
- Contracts RR202733000, RR202758000, RR202750000, and RR202759000 were exercised in July 2022 for refurbishment of seat inserts for the 60-foot articulated buses.

The approval of these contracts will provide refurbished vinyl seat inserts for the remainder of Metro's bus and rail fleets.

DISCUSSION

A leading concern heard from our customers is the cleanliness of our bus and rail system. Customers want a clean and odor free environment on Metro's transportation system, and as part of the Cleanliness Plan, Metro has identified several cleanliness initiatives to improve the customer experience. Dirty or damaged seats impact the rider experience, instead of sitting, a rider may choose to stand due to the condition of the seat. Vinyl seat inserts can be quickly cleaned, sanitized, and wiped down to improve customer experience. Vinyl seating can eliminate more dust, dirt, moisture, and germs that currently is being retained in fabric seats. Cleaner seats give customers better service and less to worry about during their commute.

The contracts 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 Metro to order any specific quantity of the reupholstered seat inserts that may currently be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required.

The seat inserts will be reupholstered with vinyl material, maintained in inventory, and managed by Material Management.

DETERMINATION OF SAFETY IMPACT

The award of this contract will ensure that all operating divisions have adequate inventory to convert and maintain the bus fleet according to Metro Maintenance standards. The award of these contracts will provide cleaner and more sanitary buses for revenue service.

FINANCIAL IMPACT

Funding of \$978,873 for Contractual Elements A & C (Bus) for this product has been included in the FY23 budget in various bus maintenance operating cost centers, under project 306002 - Operations Maintenance, under line item 50441 - M/S Parts - Revenue Vehicle.

Funding of \$1,868,837 for Element B (Rail) for this product has been included in the FY23 budget in various bus operating cost centers, under project 300066- Rail Fleet Services, under line item 50441 - M/S Parts - Revenue Vehicle.

Cost center managers and the Chief Operations Officer will be accountable for budgeting the cost of maintaining the vinyl seats in future fiscal years.

Impact to Budget

The current source of funding for this action includes Prop C, TDA, STA and SB1 State of Good Repair. Using these funding sources maximizes the project funding allocations allowed by approved provisions and guidelines.

EQUITY PLATFORM

The benefits of this action are to ensure that the bus and rail fleet that serves Los Angeles County, and disproportionately serves marginalized groups and the vulnerable, provides clean and safe transportation services. Cleanliness is a highly rated issue of importance for Metro riders and the reupholstering of the seat insert enhances Metro's cleaning and sanitation programs to ensure clean, reliable, and safe bus transportation services for these underserved communities.

The Diversity and Economic Opportunity Department (DEOD) established a two percent (2%) DBE goal for these contracts and verified the commitment by both successful bidders of this procurement in achieving this goal. Molina Manufacturing, a DBE Prime, exceeded the goal by making a 100% DBE commitment for Element A and C.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The vinyl seat insert conversion project supports Strategic Goal 2.3: Metro will support a customer-

centric culture where exceptional experiences are created at every opportunity for both internal and external customers. The vinyl seats will provide cleaner, safer, and more sanitary seating for customers.

ALTERNATIVES CONSIDERED

The alternative is to not award the contracts and procure the vinyl seat inserts as needed, using the traditional “min/max” replenishment system method. This strategy is not recommended since it does not provide for a commitment from the supplier to ensure the availability, timely delivery, continued supply, and a guaranteed fixed price for the parts. This alternative strategy could also impact the lead time for securing the material to reupholster the seat inserts, resulting in delays in completing the fleet conversion.

NEXT STEPS

Upon approval of the Board, staff will execute Contract No. MA91724001 with Molina Manufacturing for RFP elements A and C and Contract No. MA91724002 with Louis Sardo Upholstery for RFP element B the refurbishing of various seat inserts using vinyl materials for the combined total amount of \$2,847,709.76.

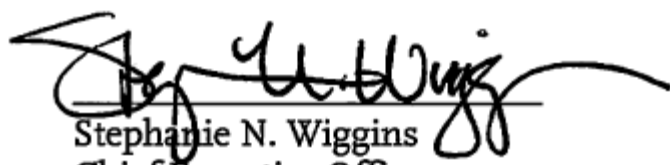
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

**8401-8650 BUS SERVICES, P3010 LRV, AND BUS CONTRACTED SERVICES
VINYL SEAT INSERT MODIFICATION /CONTRACT NUMBER MA91724000
~~MA91724001~~ AND MA91724001 ~~MA91724002~~**

1.	Contract Number: A. Element A – Contract No. MA91724000 – 8401-8650 Bus Series B. Element B – Contract No. MA91724001 – P3010 LRVs C. Element C – Contract No. MA91724000 – Contracted Bus Services	
2.	Recommended Vendor: A. Element A and C – Molina Manufacturing B. Element B – Louis Sardo Upholstery, Inc.	
3.	Type of Procurement (check one) : <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.	Procurement Dates :	
	A. Issued : 08.11.22	
	B. Advertised/Publicized: 08.11.22	
	C. Pre-Proposal Conference: 08.31.22	
	D. Proposals Due: 10.06.22	
	E. Pre-Qualification Completed: 10.22.22	
	F. Conflict of Interest Form Submitted to Ethics: 10.19.22	
	G. Protest Period End Date: 12.01.22	
5.	Solicitations Picked up/Downloaded: 9	Proposals Received: Element A – 2 proposals Element B – 1 proposal Element C – 2 proposals
6.	Contract Administrator: Nicole Banayan	Telephone Number: 213-922-7438
7.	Project Manager: Richard Lozano	Telephone Number: 323-224-4042

A. Procurement Background

This Board Action is to approve award of:

- Contract No. MA91724000 to Molina Manufacturing to provide vinyl seat refurbishment for Element A – NABI composite buses and Element C – Contracted Bus Services . The contract not-to-exceed amount is \$978,873.26, effective December 1, 2022, through November 30, 2025, subject to resolution of protest(s), if any.
- Contract No. MA91724001 to Louis Sardo Upholstery, Inc. to provide vinyl seat refurbishment for Element B – P3010 light rail vehicles. The contract not-to-exceed amount is \$1,868,836.50, effective December 1, 2022, through November 30, 2025, subject to resolution of protest(s), if any.

This solicitation was a competitively negotiated procurement issued in accordance with Metro's Acquisition Policy and the contract type is an indefinite delivery/indefinite quantity (IDIQ). To better coordinate the vinyl seat refurbishment project between bus, rail and contracted bus services and maximize efficiencies, the Scope of Services was divided into three (3) elements. Element A is for the NABI Composite buses, Element B is for the P3010 light rail vehicles fleet, and Element C is for Contracted Bus Services. The services also included a post-production support period through the end of the Contract term whereby the contractor is responsible for repairing/replacing inserts damaged or worn in service. Proposers were allowed to propose on one, two or all three elements. All three elements were assigned a Disadvantage Business Enterprise (DBE) goal of 2% for this procurement.

On August 11, 2022, Request for Proposals No. MA91724 was issued as a competitive procurement. Six (6) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on August 30, 2022, revised Element B Scope of Work.
- Amendment No. 2, issued on September 8, 2022, Revised Element B project schedule, lowered the DBE goal from 30% to 2%, and revised Element B Schedule of Quantities and Prices form.
- Amendment No. 3, issued on September 13, 2022, added Element C, revised the evaluation criteria of Element A and B and extended the proposal due date to September 28, 2022, from September 21, 2022.
- Amendment No. 4 issued on September 21, 2022, revised the scope of services for Element A and C and reduced the Period of Performance from 5 years to 3 years.
- Amendment No. 5 issued on September 28, 2022, extended the proposal due date to October 6, 2022, from September 28, 2022.
- Amendment No. 6 issued on September 29, 2022, reduced Element B warranty from 2 years to 1 year.

A Pre-Proposal meeting was held on August 31, 2022, a total of 2 firms attended. Metro issued a total of three (3) clarifications answering 24 questions received from potential proposers. On October 6, 2022, Metro received a total of 2 proposals for the following Elements, in alphabetical order:

Element A – 8401-8650 Bus Series

- Molina Manufacturing
- Louis Sardo Upholstery, Inc.

Element B – P3010 Light Rail Vehicles

- Louis Sardo Upholstery, Inc.

Element C- Bus Contracted Services

- Molina Manufacturing
- Louis Sardo Upholstery, Inc.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Metro's Rail Fleet Services, Equipment Maintenance, and Central Maintenance was convened and conducted a comprehensive technical evaluation of the two proposals received for the three elements. All proposals for all three elements were evaluated based on the following evaluation criteria and weights:

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|---|-----------|
| • Technical Capability | 15 Points |
| • Previous Experience on Similar Projects in the U.S. | 20 Points |
| • Work Plan | 35 Points |
| • Cost | 30 Points |

The evaluation criteria and weights are appropriate and consistent with criteria developed for similar procurements. Several factors were considered when developing these weights, giving the great importance to the work plan.

On October 6, the PET met to take receipt of the two proposals received, signed the Declaration of Confidentiality and Non-Conflict of Interest forms. Evaluations were conducted from October 12 through October 20, 2022. Metro issued two clarifications from both proposers and the responses were determined to be satisfactory.

On October 20, 2022, the PET determined that the proposals submitted by Molina and Sardo were considered responsive and responsible.

Qualifications Summary

Element A – NABI Composite Buses					
1	Proposer	Average Score	Factor Weight	Weighted Average Score	Rank
2	Molina				1
3	Technical Capability	9.125	15.00%	13.50	
4	Previous Experience on Similar Projects in the US	8.50	20.00%	16.80	
5	Work Plan	7.813	35.00%	29.00	
6	Cost	30.00	30.00%	30.00	
7	Total		100.00%	89.30	
8	Sardo				2
9	Technical Capability	8.00	15.00%	12.50	

10	Previous Experience on Similar Projects in the US	8.313	20.00%	16.275	
11	Work Plan	7.25	35.00%	26.375	
12	Cost	14.03	30.00%	14.03	
13	Total		100.00%	69.18	

Element B - P3010 LRVs					
1	Proposer	Average Score	Factor Weight	Weighted Average Score	Rank
2	Sardo				1
3	Technical Capability	8.25	15.00%	13.25	
4	Previous Experience on Similar Projects in the US	8.375	20.00%	16.05	
5	Work Plan	7.375	35.00%	27.375	
6	Cost	30.00	30.00%	30.00	
7	Total		100.00%	86.675	

Element C- Contracted Services Bus					
1	Proposer	Average Score	Factor Weight	Weighted Average Score	Rank
2	Molina				1
3	Technical Capability	9.125	15.00%	13.50	
4	Previous Experience on Similar Projects in the US	9.438	20.00%	18.825	
5	Work Plan	8.188	35.00%	30.625	
6	Cost	30.00	30.00%	30.00	
7	Total		100.00%	92.95	
8	Sardo				2
9	Technical Capability	7.125	15.00%	11.00	
10	Previous Experience on Similar Projects in the US	8.875	20.00%	17.55	
11	Work Plan	7.625	35.00%	28.25	
12	Cost	13.895	30.00%	13.895	
13	Total		100.00%	70.695	

C. Price Analysis

Element A

Molina proposed price of \$664,425.84 has been determined to be fair and reasonable based on adequate price competition, an Independent Cost Estimate (ICE), price analysis, and technical evaluation. The recommended price is 26% lower than Metro's ICE and Molina proposed 1% lower than their 2021 rates.

Element A – NABI Composite Buses			
Proposer Name	Proposed Amount	Metro ICE	Delta
Molina	\$ 664,425.84	\$ 908,040.00	\$ (243,614.16)
Sardo	\$ 1,420,434.00	\$ 908,040.00	\$ 512,394.00

Element B

Louis Sardo Upholstery, Inc. (Sardo) submitted the only proposal for Element B. Its responsive proposal met the revised production schedule of 14 months as required per Amendment 4. For comparison, Sardo also provided a proposal that met the initial requested production schedule of 60 months. The responsive proposal with the 14 month schedule offered a total not-to-exceed price of \$1,868,836.50. While the comparison price proposal for the 60 month production schedule was offered at a not-to-exceed price of \$1,698,166.50. Sardo required additional labor and freight costs to meet the 14 month production schedule, for an additional premium cost of \$170,670.00. Although Sardo was the only proposer for Element B, the not-to-exceed price of \$1,868,836.50 was competitively proposed with the expectation of competition, therefore staff performed a price analysis. The price analysis consisted of negotiations, market research, and a comparison with the Metro ICE.

The Metro ICE was based on the original production schedule and did not account for the accelerated 14 month schedule implemented in the RFP Amendment 4. Sardo's proposed price for Element B is \$514,025.54 or 38% higher than the Metro ICE, however when factoring in the premium (\$170,670) for the 14 month production schedule that was not contemplated in the Metro ICE, the difference is reduced to \$343,355.54 or 25%.

Another element that the Metro ICE did not consider is the market risk given the current economic conditions. Sardo's proposal met the 14 month production schedule but was also required to provide repair support to replace damaged inserts for an additional 2 years. As this is a multi-year contract with a firm fixed unit price, the continued uncertainties in the market and higher inflation forecasts can account

for some measurable portion of the 25% gap between the Metro ICE and the proposed price from Sardo. Based on this price analysis, it was determined that Sardo's proposed price of \$1,868,836.50 is the best attainable and deemed fair and reasonable.

Element B – P3010 LRVs			
Proposer Name	Proposed Amount	Metro ICE	Delta
Sardo	\$ 1,868,836.50	\$ 1,354,810.96	\$ 514,025.54

Element C

Molina proposed a not-to-exceed price of \$314,447.42 which has been determined to be fair and reasonable based on adequate price competition, ICE, price analysis, and technical evaluation. The recommended price is 27% lower than Metro's ICE and Molina proposed 2% lower than their 2021 rates.

Element C – Contracted Services Buses			
Proposer Name	Proposed Amount	Metro ICE	Delta
Molina	\$ 314,447.42	\$ 434,000.00	\$ (119,552.58)
Sardo	\$ 678,900.00	\$ 434,000.00	\$ 244,900.00

D. Background on Recommended Contractor

Molina Manufacturing (Elements A and C)

Molina is a Metro certified Disadvantage Business Enterprise (DBE) firm located in Torrance, California. Molina Manufacturing was established in March 2007 and is a full-service company that re-upholsters used or new passenger seats for a wide variety of bus and rail. In addition, to providing reupholstery services, Molina also provides hub gaskets, tank radiator gaskets, valve cover, and pan gaskets and assess panel gaskets. Molina's performance is satisfactory.

Louis Sardo Upholstery, Inc (Element B)

Sardo is located in Gardena, California. Sardo was established in 1954 as a mobile road crew upholstery company in Massachusetts. Sardo expanded to California in 1954. Sardo currently has locations in California and Florida. Sardo provides passenger seating innovation, transit seat refurbishment and interior modification services. Sardo's performance is satisfactory.

DEOD SUMMARY

**8401-8650 BUS SERVICES, P3010 LRV, AND BUS CONTRACTED SERVICES
VINYL SEAT INSERT MODIFICATION /CONTRACT NUMBER MA91724001 AND
MA91724002**

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this contract. Molina Manufacturing, a DBE prime, exceeded the goal by making a 100% DBE commitment for Element A & C.

Small Business Goal	2% DBE	Small Business Commitment	100% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	Molina Manufacturing (DBE Prime)	Hispanic American	100%
Total Commitment			100%

B. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this indefinity delivery/indefinity quantity (IDIQ) contract. Louis Sardo Upholstery, Inc. exceeded the goal by making 2.40% DBE commitment for Element B.

Small Business Goal	2% DBE	Small Business Commitment	2.40% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	JWL Supplies	Hispanic American	2.40%
Total Commitment			2.40%

C. Living Wage and Service Contract Worker Retention Policy Applicability

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

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

E. 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.