

## PROCUREMENT SUMMARY

## AUTOMATED STORAGE AND RETRIEVAL SYSTEM (ASRS) UPGRADE

1.	<b>Contract Number:</b> PS76506000	
2.	<b>Recommended Vendor:</b> Dematic Corporation	
3.	<b>Type of Procurement</b> (check one): <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> 05/31/2021	
	<b>B. Advertised/Publicized:</b> N/A	
	<b>C. Pre-proposal/Pre-Bid Conference:</b> N/A	
	<b>D. Proposals/Bids Due:</b> 07/09/2021	
	<b>E. Pre-Qualification Completed:</b> 08/18/2021	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> 07/09/2021	
	<b>G. Protest Period End Date:</b> N/A	
5.	<b>Solicitations Picked up/Downloaded:</b> 1	<b>Bids/Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Annie Duong	<b>Telephone Number:</b> (213) 418-3048
7.	<b>Project Manager:</b> Shuyen Lin	<b>Telephone Number:</b> (213) 418-3180

**A. Procurement Background**

This Board Action is to award a sole source contract to replace the obsolete and end of the useful life components, as well as upgrading the ASRS systems to incorporate the state of art technologies. On May 31, 2021, Metro issued a single source, non-competitive solicitation to Dematic Corporation because of its proprietary system and received a proposal on July 09, 2021.

This sole source procurement was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price.

**B. Evaluations of Proposals**

This is a single source, non- competitive procurement. A Proposal Evaluation Team (PET) consisting of staff from Metro's Logistics, Transit Operation Systems, and Administrative Business Department conducted a comprehensive technical evaluation of the proposal received. The technical evaluation consisted of reviews of the firm's proposed labor hours, proposed assigned technical personnel and labor categories, and proposed material items and spares. The proposal was found to be technically acceptable.

**C. Cost/Price Analysis**

The recommended contractor’s price proposal was evaluated in compliance with Metro’s Acquisition Policies and Procedures. Staff conducted a comprehensive evaluation to determine that the final firm fixed price is fair and reasonable based on cost analysis, technical evaluation, fact-finding, clarifications, and negotiations. The contract administrator requested price information from the contractor on its other projects with other government customers. The contractor was able to demonstrate the rate proposed for Metro is the same rate used with other government agencies. Hence, the proposed price is considered fair and reasonable. The final negotiated price is \$3,396,686, inclusive of tax.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
1.	Dematic Corporation	\$3,398,005	\$3,120,818	\$3,396,686

**D. Background on Recommended Contractor**

Dematic Corporation, formally HK Systems, Inc. is the original equipment manufacturer of Metro’s Automated Storage and Retrieval System (ASRS) located at Central Maintenance Facility (CMF). Dematic Corporation is a global engineering company that designs, builds, and life cycle supports logistics solutions that optimize material and information flow from receiving to shipping, within the four walls of the factory, warehouse, or distribution center.

Dematic Corporation is one brand under the KION Group of companies and has engineering offices in Asia, Europe, North and South America. The company has manufacturing facilities in USA, Australia, Germany, Italy, and China. During the past 50 years, Dematic has installed 10,000 systems and currently has global revenue of \$1.3 billion. Its clients include JC Penney, Wal-Mart, Anheuser-Bush, and Wells Dairy.

Headquartered in Atlanta, Georgia, Dematic Corporation has been in the business for over 200 years. Dematic Corporation has provided satisfactory work for Metro in the past.