

PROCUREMENT SUMMARY

BIOMETHANE PROVIDER / OP7396000

1.	Contract Number: OP7396000	
2.	Recommended Vendor(s): Clean Energy Renewables	
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: 5/13/15	
	B. Advertised/Publicized: 5/11/15	
	C. Pre-proposal/Pre-Bid Conference: 5/20/15	
	D. Proposals/Bids Due: 2/13/17	
	E. Pre-Qualification Completed: 3/15/17	
	F. Conflict of Interest Form Submitted to Ethics: 2/17/17	
	G. Protest Period End Date: 4/21/17	
5.	Solicitations Picked up/Downloaded: 24	Bids/Proposals Received: 2
6.	Contract Administrator: Nathan Jones III	Telephone Number: (213) 922-6101
7.	Project Manager: Evan Rosenberg	Telephone Number: (213) 922-7326

A. Procurement Background

This Board Action is to approve a Contract No. OP739600 for the procurement of a Biomethane Provider of Renewable Natural Gas (RNG) to support Metro's bus fleet.

IFB No. OP84203485 was issued in accordance with Metro's Acquisition Policy and the contract type is a Fixed Unit Price, Indefinite Delivery, Indefinite Quantity (IDIQ).

Eight amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on May 19, 2015, to revise the Instructions to Bidders, Insurance Requirements, Pre-Qualification Application, and the Required Certifications;
- Amendment No. 2, issued on May 27, 2015, to revise the Statement of Work;
- Amendment No. 3, issued on December 18, 2015, to revise the bid due date;
- Amendment No. 4, issued on January 7, 2016, to revise Exhibit C, Bid Form, Schedule of Quantities and Prices;
- Amendment No. 5, issued on February 3, 2016, to change the bid due date;
- Amendment No. 6, issued on January 4, 2017, to revise the Contract, Bid Forms, and the bid due date;
- Amendment No. 7, issued on January 4, 2017, to revise the due date for Bidders' comments and questions; and
- Amendment No. 8, issued on January 27, 2017, to revise the due date for Metro's formal responses to Bidders' questions, Bid Forms and revise the bid due date.

The Two Step Seal Bid process, as defined in Metro’s Acquisition Policy, was used for this acquisition. Step 1 required potential bidders to submit a technical proposal for Metro to evaluate and to make a determination on whether the bidder was technically qualified. In response to Step 1, Metro received three formal technical proposals, and Metro evaluated each technical proposal and made individual final determinations that each bidder was technically qualified to furnish RNG. A formal notification was issued to each bidder advising them that they were deemed technically qualified and were invited to participate in Step 2 by submitting a formal bid price.

Prior to the public bid opening due date, Metro received a formal letter from one of the technically qualified bidders advising Metro that it had elected to No Bid. A total of two bids were received on the bid due date, February 13, 2017. One of the bids was rejected for material changes to the IFB requirements.

B. Evaluation of Bids

The firm recommended for award is Clean Energy Renewables (Clean Energy) which was found to be in full compliance with the IFB requirements.

Bidder Name	Base	Option	Total Contract Price
Clean Energy	\$1,240,520.00	\$54,808,110.00	\$56,048,630.00

The Base period is for one year and to cover supplying RNG for all buses at one Metro bus division. The Option is for four years to supply RNG for all buses at all Metro bus divisions.

C. Price Analysis

The recommended total bid price was determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder. There are three components to this price analysis: gas commodity price, environmental commodities value, and total bid price. The IFB required the vendor to supply the total bid price that is the net of the gas commodity price and environmental commodities value. The lowest total bid price gets awarded the contract. The table below provides these information.

While the lowest total bid price is the basis for award, the contract value to be awarded is based on the gas commodity price.

Low Bidder Name	Bid Amount	Metro ICE
Clean Energy	\$26,612,169 (1)	\$34,414,674

Bid Breakdown	Bid Amount	Metro ICE
Gas Commodity Price	\$56,048,630 (2)	\$57,008,630
Environmental Commodities Value	\$29,436,460	\$22,593,956
Total Bid Price	\$26,612,169	\$34,414,674

Notes:

- (1) Basis for award
- (2) Contract value

D. Background on Recommended Contractor

The recommended firm, Clean Energy, has over seven years of experience in biomethane industry, including biomethane production, marketing, sales and distribution. Clean Energy is the only company that has built, owns and operates biomethane production facilities and is a registered Energy Service Provider with SoCalGas. Since 2009, Clean Energy has delivered biomethane to customers at customer owned stations as well as Clean-Energy owned public access stations. The firm meets and exceeds Metro's specified IFB minimum technical qualification requirements for supplying biomethane. Some of Clean Energy's customers include Foothill Transit, City of Santa Monica (Big Blue Bus), Sacramento Municipal Utilities District, City of Sacramento, and University of California, San Diego, and Atlas Refuel. Clean Energy has been a Metro supplier of natural gas products and commodities for over 20 years and their services to Metro have been satisfactory.