

PROCUREMENT SUMMARY

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

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|-----------|--|--|
| 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:

- 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.

