

PROCUREMENT SUMMARY
EV CROSSOVER VEHICLES
CONTRACT NO. DR113478000

1.	Contract Number: DR113478000	
2.	Recommended Vendor: Elite Auto Network	
3.	Type of Procurement: IFB	
4.	Procurement Dates:	
	A. Issued: 9/6/23	
	B. Advertised/Publicized: 8/31/23	
	C. Pre-Bid Conference: 9/13/23	
	D. Bids Due: 11/6/23	
	E. Pre-Qualification Completed: 1/9/24	
	F. Conflict of Interest Form Submitted to Ethics: 11/22/23	
	G. Protest Period End Date: 2/16/24	
5.	Solicitations Picked up/Downloaded: 6	Bids Received: 1
6.	Contract Administrator: Lorretta Norris	Telephone Number: (213) 922-2632
7.	Project Manager: Joe Guzman	Telephone Number: (562) 658-0232

A. Procurement Background

This Board Action is to approve Contract No. DR113478000 to Elite Auto Network for the purchase of twenty-one (21) 2023 Toyota BZ4X Crossovers to replace vehicles in support of Metro's Bus and Rail operations, and its commitment to promote a cleaner and sustainable transportation system. Board approval of contract award is subject to resolution of any properly submitted protest(s), if any.

The Invitation for Bid (IFB) was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price. SBE and DVBE goals were not recommended due to the lack of subcontracting opportunities.

One (1) amendment was issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on October 2, 2023, updated the Critical Dates.

A single bid was received on November 6, 2023, and deemed responsive.

B. Evaluation of Bids

This procurement was conducted in accordance and complies with Metro's Acquisition Policy for a competitive sealed bid.

The recommended firm, Elite Auto Network, the single responsive and responsible bidder, was found to be in full compliance in meeting the bid and technical requirements of the IFB.

C. Market Survey

Six (6) firms downloaded the solicitation and based on staff's findings, one submitted a bid, one is a commercial truck dealer, one leases vehicles, one is a new and used truck dealer, one is an auto parts store, and one is a bid management company. The market survey revealed that the decisions not to propose were based on individual business considerations. The automotive industry is still recovering from the pandemic with ongoing supply chain and logistics issues. Most are not willing to commit to long-term, fixed price contracts due to these concerns.

D. Price Reasonableness

The recommended price is the result of an open competitive bid process in a competitive environment. The bidder prepared its bid with the expectation of adequate price competition. Both Metro and the bidder anticipated there would be more than one acceptable bid submitted. Overall, the total bid price has been determined to be fair and reasonable based upon market conditions and selection of the single responsive and responsible bidder.

The single bid received was recommended for award even though the bid was 23% higher than the independent cost estimate. The price variance is reflective of the Market Survey conducted and the current global market conditions which have been heavily impacted by the COVID-19 pandemic.

The market price of steel has fluctuated to almost double of what it was since the last procurement of electric vehicles were purchased. A worldwide semiconductor supply shortage has stalled production within the automotive industry and drastically delayed the delivery timeline of vehicles. In addition, the global logistics landscape of moving goods is heavily burdened by a shortage of manpower combined with an increased cost of fuel driving up the freight cost for these units. These issues all contribute to the price variance in addition to general supply chain issues and labor cost escalations.

Bidder's Name	Total Bid Amount	Metro ICE
Elite Auto Network	\$1,305,792.28	\$1,008,000

E. Background on Recommended Contractor

The recommended firm, Elite Auto Network, is a dealer/broker located in Beverly Hills, California, has been in business over 35 years and provides full circle fleet management, including vehicle upfitting, mobile and drive away services, and fleet electrification. Elite Auto Network has performed satisfactorily on previous Metro contracts since 2017.

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Revised 10/11/16