



Metro

Los Angeles County
Metropolitan Transportation Authority

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ATTACHMENT A

PROCUREMENT SUMMARY

35-TON TOW TRUCKS, COMPRESSED NATURAL GAS AND DIESEL FUEL

1.	Contract Number: DR81105000	
2.	Recommended Vendor(s): Baatz Enterprises Inc. dba Tow Industries	
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: 10/1/2021	
	B. Advertised/Publicized: 10/1/21, 10/7/21	
	C. Pre-Bid Conference: 10/12/21	
	D. Bids Due: 11/3/21	
	E. Pre-Qualification Completed: 11/9/21	
	F. Conflict of Interest Form Submitted to Ethics: 11/4/21	
	G. Protest Period End Date: (15 Calendar Days after Notification of Intent to Award) 2/18/22	
5.	Solicitations Picked up/Downloaded: 13	Bids Received: 1
6.	Contract Administrator: Loretta Norris	Telephone Number: (213) 922-2632
7.	Project Manager: Adam Robertson	Telephone Number: (562) 658-0231

A. Procurement Background

This Board Action is to approve Contract No. DR81105000 to procure nine 35-Ton Tow Trucks, including three (3) CNG and six (6) diesel fuel, to support Metro’s Bus Operations. Contract award is subject to resolution of any properly submitted protest.

The IFB was issued in accordance with Metro’s Acquisition Policy and the contract type is a Firm Fixed Price.

Three (3) amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on October 5, 2021, to provide pre-bid conference call-in telephone number and conference ID number;
- Amendment No. 2, issued on October 12, 2021, to update Metro’s Insurance Requirements;
- Amendment No. 3, issued on October 21, 2021, to update Technical Specifications.

A single bid was received on November 3, 2021 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. A single bid was received and deemed responsive and responsible to the IFB requirements.

The recommended firm, Baatz Enterprises Inc. dba Tow Industries, the single responsive and responsible bidder, was found to be in full compliance in meeting the bid and technical requirements of the IFB.

Market Survey

Metro received a single bid and staff conducted a market survey of other firms to determine the reasons for the lack of formal bid responses to this IFB.

13 firms downloaded the solicitation and based on staff's communication with the firms one submitted a bid, one advised pricing was unavailable until the first quarter of 2022, two were subcontractors who indicated the current market was negatively impacted by increased cost of materials and shortage of parts, one did not respond to the market survey, two were bid management companies, four were not vendors or manufacturers, one did not download the solicitation timely to submit a bid, and one downloaded the solicitation to review only.

C. Price Reasonableness

The recommended bid price from Baatz Enterprises Inc. dba Tow Industries is the result of an open competitive bid process in a competitive environment. The bidder prepared its bid in 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 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 when the last batch of tow-trucks 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

Bidder's Name	Total Bid Amount	Metro ICE
Baatz Enterprises Inc. dba Tow Industries	\$3,922,757.26	\$3,453,000.00

D. Background on Recommended Contractor

The recommended firm, Baatz Enterprises Inc. dba Tow Industries, is headquartered in West Covina, California and has over 20 years of experience in providing recovery trucks and towing equipment, including tow trucks, wreckers, car carriers and wheel lifters. Tow Industries was previously awarded a Metro Contract in July 2019 and performed satisfactorily.