

PROCUREMENT SUMMARY

AUTOMATED GUIDED VEHICLE (AGV) REPLACEMENT / PS135749000

1.	Contract Number: PS135749000	
2.	Recommended Vendor: Dematic Corp.	
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: November 13, 2025	
	B. Advertised/Publicized: November 18-20, 2025	
	C. Pre-Proposal Conference: November 19, 2025	
	D. Proposals Due: December 29, 2025	
	E. Pre-Qualification Completed: January 6, 2026	
	F. Ethics Declaration Forms submitted to Ethics: December 29, 2025	
	G. Protest Period End Date: April 21, 2026	
5.	Solicitations Downloaded: 26	Bids/Proposals Received: 1
6.	Contract Administrator: Armine Menemshyan	Telephone Number: 213-922-4851
7.	Project Manager: Jeff Vergel de Dios	Telephone Number: 213-922-5022

A. Procurement Background

This Board Action is to approve Contract No. PS135749000 in support of the Automated Guided Vehicle (AGV) Replacement Project. Board approval of contract awards is subject to the resolution of any properly submitted protest(s), if any.

On November 13, 2025, Request for Proposals (RFP) No. PS135749 was issued in accordance with Metro’s Acquisition Policy and the contract type is firm fixed price. The Diversity and Economic Opportunity Department did not recommend a Small Business Enterprise (SBE)/Disabled Veteran Business Enterprise (DVBE) goal for this procurement due to the lack of availability of small businesses.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 19, 2025, extended the proposal due date from December 17, 2025, to December 19, 2025.
- Amendment No. 2, issued on December 4, 2025, extended the proposal due date from December 19, 2025, to December 29, 2025, added one more worksite visit, and extended the questions due date.

A total of 26 downloads of the RFP were recorded in the planholders’ list. A virtual pre-proposal conference was held on November 19, 2025, and was attended by seven participants representing two firms. There were five questions received and responses were provided prior to the proposal due date.

One proposal was received from Dematic Corp. by the proposal due date of December 29, 2025.

Since only one proposal was received, staff conducted a market survey of the planholders to determine why no other proposals were received. Responses were received from seven firms, and they included:

- Scope of services not being within their area of expertise.
- Time constraints to prepare and submit a proposal.

The market survey revealed that the decisions not to propose were based on individual business considerations. Therefore, the solicitation can be awarded as a competitive award.

B. Evaluation of Proposal

A Proposal Evaluation Team (PET) consisting of staff from Logistics, Inventory Management, Facilities/Property Maintenance, and Policy, Systems, and Development Services Departments was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria:

1) Pass/Fail Requirements

Proposers must meet all of the Pass/Fail Requirements to be considered technically acceptable to move forward with the evaluation process:

Key Personnel: Provide proof of qualifications and experience of staff who will manage or perform critical roles under the contract in the past 5 years.

- a) Does the proposer meet all the Performance Requirements stated in the Scope of Work?
- b) Does the proposer meet all the Safety Requirements stated in the Scope of Work?
- c) Does the proposer meet all the Mechanical Requirements stated in the Scope of Work?
- d) Does the proposer meet all the Control System Requirements stated in the Scope of Work?
- e) Does the proposer meet all the Battery Charging Requirements stated in the Scope of Work?
- f) Does the proposer meet all the AGV Routing Interface Requirements stated in the Scope of Work?
- g) Does the proposer meet all the System Requirements stated in the Scope of Work?

- h) Does the Proposer’s level of service commitment align with Metro’s needs stated in the Scope of Work?
- i) Does the proposal reflect the ability to complete this project in 24 months or less?
- j) Does the proposal meet the Warranty Requirements (Proposer must provide a minimum of 12 months of warranty from the project completion)?
- k) Do the proposer and all subcontractors meet Licensing Requirements (Prime Contractor must hold one or more of the following California State Contractors Licenses: A, B, C10 or C61/D21, and all subcontractors shall hold California State Contractor’s Licenses applicable to their trade or discipline)?

2) Evaluation Criteria

The proposer met the Pass/Fail requirements and was further evaluated based on the following evaluation criteria and weights:

- Firm's Skills, Experience, and Qualifications 25%
- Project Manager and Key Personnel 25%
- Understanding of the Work and Approach 20%
- Risk Assessment 10%
- Price 20%

Several factors were considered when developing these weights, giving the greatest importance to the firm's skills, experience, and qualifications, and the project manager and key personnel.

From January 12, 2026 to January 30, 2026, the PET independently evaluated and scored the technical proposal and determined that Dematic Corp. met the requirements of the RFP and is technically qualified to perform the services.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Dematic Corp.				
3	Firm's Skills, Experience, and Qualifications	91.00	25.00%	22.75	
4	Project Manager and Key Personnel	86.00	25.00%	21.50	
5	Understanding of the Work and Approach	87.50	20.00%	17.50	
6	Risk Assessment	88.00	10.00%	8.80	
7	Price	100.00	20.00%	20.00	
8	Total		100.00%	90.55	1

C. Cost Analysis

The recommended price has been determined to be fair and reasonable based upon an Independent Cost Estimate (ICE), technical analysis, and cost analysis.

	Proposer Name	Proposal Amount	Metro ICE	Recommended Amount
1	Dematic Corp.	\$4,837,855	\$6,062,095	\$4,837,855

The variance between the recommended amount and the ICE is the result of the contractor providing highly competitive pricing due to current market conditions, including reduced material costs and favorable supplier agreements. In addition, the contractor demonstrated optimized processes, streamlined project management, and efficient resource allocation, which significantly lowered overhead expenses without compromising quality. The contractor already possesses the necessary equipment, tools, and technical expertise, eliminating the need for additional capital expenditures that were considered in the ICE.

D. Background on Recommended Contractor

Dematic Corp. (Dematic), a member of the KION Group, headquartered in Atlanta, Georgia, has approximately 10,000 employees globally, providing innovative, integrated supply chain automation technologies, software, and services.

Dematic has a large Lifecycle Solutions Services customer service group focused solely on live system modernizations and upgrades. Dematic's Modernization Project Management and Engineering Team have over 30 years of AGV Upgrade experience. Its clients include the United States Army, JCPenney, Wal-Mart, Anheuser-Busch, and Wells Dairy.

In addition, Dematic is the original AGV system integrator and equipment manufacturer as well as the system developer and integrator of Metro's Equipment Management System (EMS) software. Dematic successfully installed Metro's current AGVs in 2006 as replacements for the originals and performance has been satisfactory.