

## PROCUREMENT SUMMARY

## PURCHASE OF PRODUCTION RAIL TAMPER / OP42642000

1.	Contract Number: OP42642000	
2.	Recommended Vendor: Plasser American Corporation	
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: 07/07/2017	
	B. Advertised/Publicized: 07/07/2017	
	C. Pre-Bid Conference: 07/13/2017	
	D. Bids Due: 09/07/2017	
	E. Pre-Qualification Completed: 09/13/2017	
	F. Conflict of Interest Form Submitted to Ethics: 09/11/2017	
	G. Protest Period End Date: 11/17/2017	
5.	Solicitations Picked up/Downloaded: 7	Bids Received: 1
6.	Contract Administrator: Aryani L. Guzman	Telephone Number: 213-922-1387
7.	Project Manager: Dan Ramirez	Telephone Number: 562-658-0231

**A. Procurement Background**

This Board Action is to approve Contract No. OP42642000 issued in support of the light and heavy track maintenance throughout the Metro's rail system.

Invitation for Bid (IFB) No. OP42642 was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

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

- Amendment No. 1, issued on August 1, 2017, revised bid due date;
- Amendment No. 2, issued on August 4, 2017, new requirements were issued.

One bid was received on September 7, 2017.

**B. Evaluation of Bids**

Metro received one bid from Plasser American Corporation (Plasser American).

As a result of receiving a single bid, in accordance with Metro's Acquisition Policy and Public Utility Code §130233, the solicitation was canceled and staff entered into negotiations for a non-competitive contract with Plasser American. Accordingly, staff was required to obtain cost data from Plasser American to conduct a formal cost analysis. In addition to the cost analysis being performed, Metro's project management and technical staff members conducted a technical evaluation of the proposed direct labor hours, labor categories, and on the bill of material associated

with the rail tamper equipment. These elements were found to be technically acceptable, as well as Plasser American being found to be overall technically acceptable.

Metro conducted a market survey to determine the reasons for only receiving one bid. One potential bidder indicated it did not manufacture the rail tamper equipment but wanted to offer a re-built rail tamper which Metro's Technical Specification prohibited. Another potential bidder requested material changes to Metro's technical specifications which were not acceptable. There was adequate time to respond with a formal price bid with additional time authorized via a formal Amendment to the IFB. None of the firms interviewed expressed any concerns regarding restrictions in Metro's specification requirements.

Plasser American was determined to be responsive, responsible and was deemed qualified to perform the scope of work based on the solicitation requirements.

### **C. Cost Analysis**

Metro staff conducted a cost analysis of the bidder's proposal and, accordingly, reviewed various elements of cost (i.e. direct labor rates, overhead rates, material costs, and other direct costs). Based on our cost analysis, technical analysis, clarifications, and negotiations with Plasser American, the final agreed to Firm Fixed Price (FFP) is considered fair and reasonable. The recommended FFP reflects a 16.7% savings for the original bid price and is 8% lower than Metro's Independent Cost Estimate.

<b>Bidder Name</b>	<b>Original Bid Amount</b>	<b>Final FFP</b>	<b>Metro ICE</b>
Plasser American Corporation	\$3,908,484	\$3,378,292	\$3,620,000

### **D. Background on Recommended Contractor**

The recommended firm, Plasser American Corporation, located in Chesapeake, Virginia, has been in business for 60 years, and is a leader in the production tamping and switch machines used throughout the United States, Turkey and Pakistan. Plasser American has provided rail tampers to San Francisco Bay Area Rapid Transit (BART), Washington Metropolitan Area Transit Authority, Long Island Rail Road, and the Massachusetts Bay Transportation Authority.