PROCUREMENT SUMMARY PURCHASE OF ENGINE OIL

CONTRACT NO. VM61903000

| 1. | Contract Number: VM619030000 | | |
|----|---|----------------------------|--|
| 2. | Recommended Vendor: | | |
| | The Jankovich Company, 14066 Garfield Avenue, Paramount, CA 90723 | | |
| 3. | Type of Procurement (check one): ⊠ IFB □ RFP □ RFP-A&E | | |
| | ■ Non-Competitive ■ Modification ■ Task Order | | |
| 4. | Procurement Dates: | | |
| | A. Issued : 4/30/19 | | |
| | B. Advertised/Publicized: 5/2/19 | | |
| | C. Pre-proposal/Pre-Bid Conference: N/A | | |
| | D. Proposals/Bids Due: 5/30/19 | | |
| | E. Pre-Qualification Completed: 7/19/19 | | |
| | F. Conflict of Interest Form Submitted to Ethics: 7/19/19 | | |
| | G. Protest Period End Date: 9/27/19 | | |
| 5. | Solicitations Picked | Bids/Proposals Received: 6 | |
| | up/Downloaded: 12 | | |
| | | | |
| 6. | Contract Administrator: | Telephone Number: | |
| | Tanya Allen | 213/922-1018 | |
| 7. | Project Manager: | Telephone Number: | |
| | Alex DiNuzzo | 213/922-5860 | |

A. Procurement Background

This Board Action is to approve Contract No. VM61903000 for the procurement of Engine Oil. Board approval of contract awards are subject to resolution of any properly submitted protest.

IFB No. VM61903 was issued in accordance with Metro's Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

No amendment was issued during the solicitation phase of this IFB.

Staff has twice attempted to procure its engine oil supply service through the SBE set-aside program without success. In November 2018, staff cancelled its first solicitation because the lowest responsive responsible bid was \$500,000 in excess of Metro's Independent Cost Estimate (ICE), thus the bid price was deemed not fair or reasonable. Subsequently, staff issued a second SBE set-aside solicitation in December 2018 and received two bids in March 2019. Unfortunately, both bids were deemed to be non-responsive.

A total of six bids were received on May 30, 2019.

- 1. Jamison Professional Services
- 2. The Jankovich Company (TJC)
- 3. Valdes, LLC
- 4. Patten Energy, Inc.
- 5. Van De Pol Enterprises, Inc. Bid #1
- 6. Van De Pol Enterprises, Inc. Bid #2

B. Evaluation of Bids

This procurement was conducted in accordance and complies with LACMTA's Acquisition Policy for a competitive sealed bid. There were three (3) bids from the Jankovich Company (TJC), Valdes, LLC and Patten Energy, Inc. that were deemed Responsive and Responsible to the IFB requirements.

Two bids were deemed Non-Responsive, Jamison Professional Services and Van de Pol Enterprises. Jamison Professional Services, the apparent low bidder was deemed Non-Responsive because they altered the IFB's Schedule of Quantities and Pricing Form. Van De Pol Enterprises, which submitted two (2) separate bids, was deemed Non-Responsive for not offering bid prices for the required option year.

The Jankovich Company (TJC) was determined to be the lowest Responsible and Responsive bidder and was in full compliance with the technical requirements of the IFB.

C. Price Analysis

The recommended total bid price from TJC has been determined to be fair and reasonable based upon adequate price competition and current market value of the oil industry.

| Bidder Name | Bid Amount | Metro ICE |
|-----------------------|----------------|----------------|
| | | \$1,560,533.00 |
| The Jankovich Company | \$1,868,543.04 | |
| Valdes, LLC | \$1,994,200.86 | |
| Patten Energy, Inc. | \$2,541,917.67 | |

D. Background on Recommended Contractor

The recommended firm, The Jankovich Company (TJC) has been in business for eighty-six (86) years and is a leader in fuel and lubricant supplies. TJC has extensive experience in supplying engine oil to other municipalities and companies such as the Orange County Transit Authority, City of Pasadena, City of Torrance, LADWP, MBUSA, Toyota Corporation, Nissan Corporation, KIA Corporation, Metrolink, General Motors Corporation. TJC has provided satisfactory products and services to Metro.