

**Board Report**

File #: 2021-0169, **File Type:** Contract**Agenda Number:** 20.

**OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE
MAY 20, 2021****SUBJECT: TRANSMISSION INTEGRAL COOLER****ACTION: CONTRACT AWARD****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a two-year, firm fixed price Contract No. MA73599-2000 to Muncie Transit Supply, the lowest responsive and responsible bidder for transmission coolers. The Contract one-year base amount is \$969,414 inclusive of sales tax, and the one-year option amount is \$998,497, inclusive of sales tax, for a total contract amount of \$1,967,911, subject to resolution of protest(s), if any.

ISSUE

This procurement is for the acquisition of transmission integral coolers which are required for maintaining the safe and reliable operation of the bus fleet. Award of this contract will ensure that Bus Maintenance has adequate inventory to repair and maintain buses according to Metro maintenance standards.

BACKGROUND

The component usage reports from Material Management revealed that approximately 215 transmission coolers are issued annually to Bus Maintenance to support replacement of these components during transmission rebuild programs or for replacement of transmission coolers that crack, warp, or sustain other damage during normal operation. The transmission coolers are installed by Metro Mechanics at the Central Maintenance Shops and at all bus operating divisions. Buses cannot operate without properly functioning transmission coolers.

DISCUSSION

A transmission cooler transfers heat generated in an automatic transmission to the radiator, where it is dissipated to atmosphere. Transmission coolers that crack, warp, or sustain other damage need to be replaced. The integral coolers in this procurement are mounted onto transmissions in nine-hundred buses that are part of Metro's bus fleet.

The contract to be awarded is a "requirements type" agreement in which Metro commits to order only

from the awardee, up to the specified quantity for a specific duration of time, but there is no obligation or commitment for Metro to order all of the transmission coolers that may be currently anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required. The Diversity and Economic Opportunity Department (DEOD) established a two percent (2%) DBE goal for this solicitation. The purchased transmission coolers are installed by Metro Mechanics.

Transmission coolers will be purchased and maintained in inventory and managed by Material Management. As transmission coolers are issued, the appropriate budget project numbers and accounts will be charged.

DETERMINATION OF SAFETY IMPACT

Award of contract will ensure that all operating divisions and the Central Maintenance Facility have an adequate inventory to maintain the equipment according to Metro Maintenance standards.

FINANCIAL IMPACT

The funding of \$969,414 for these transmission coolers is included in the FY22 budget request under account 50441, Parts - Revenue Vehicle in the Central Maintenance and multiple bus operating division cost centers. Funding is subject to Board approval.

Since this is a multi-year contract, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years including any option exercised.

Impact to Budget

Subject to board approval, the preliminary source of funds for this action are Proposition A/C, Measure R/M, and the Transportation Development Act. Use of these funding sources currently maximizes project funding allocations given approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The procurement of transmission coolers supports **Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling.** The transmission coolers will maintain the reliability of the bus fleet and ensure that our customers are able to arrive at their destinations without interruption and in accordance with the scheduled service intervals for Metro bus operations.

ALTERNATIVES CONSIDERED

The alternative is to not award the contract and procure transmission coolers on the open market on an as-needed basis. This approach is not recommended since it does not provide a commitment from the supplier to ensure availability and price stability.

NEXT STEPS

Metro's requirements for transmission coolers will be fulfilled under the provisions of the contract.

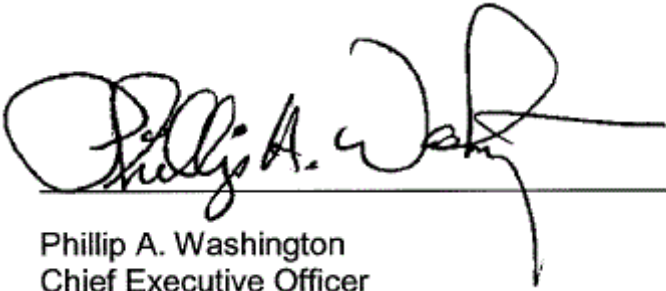
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: James D. Pachan, Superintendent of Maintenance, (213) 922-5804

Reviewed by: Debra Avila, Chief, Vendor/Contract Management (213) 418-3051
James T. Gallagher, Chief Operations Officer (213) 418-3108



Phillip A. Washington
Chief Executive Officer