

**Board Report**

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**File #:** 2015-1481, **File Type:** Contract

**Agenda Number:** 37.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
NOVEMBER 19, 2015**

**SUBJECT: PURCHASE OF BUS COMPONENTS**

**ACTION: RECOMMENDATION FOR AWARD**

**RECOMMENDATION**

AUTHORIZING the Chief Executive Officer to award a 24-month, firm fixed price contract under Bid Number 15-0004 to the following lowest responsive and responsible bidders for the **purchasing of bus components** for a base amount not to exceed \$1,280,509 inclusive of sales tax, and a one year option amount of \$1,306,116 inclusive of sales tax, for a total contract amount of \$2,586,625.

Each component, contract value and award is listed as follows:

- A. **New Flyer Industrial for line item 3 (Module - ECU, ABS System)** for a total contract value of \$170,286 and;
- B. **Cummins Pacific, LLC for line items 5 (Module - Electronic Control 8.9L Gas Plus), 6 (Module - Electronic Control ISL 8.9L) and 11 (Module - Ignition Control)** for a total contract value of \$2,416,339.

**ISSUE**

This procurement is for the acquisition of various bus parts that are required for the repair and maintenance of the bus fleet. This ensures that the fleet is in a safe and reliable condition for revenue service. Award of these contracts are essential in maintaining adequate inventory at the operating divisions and the Central Maintenance Shops to repair and maintain the buses according to Metro maintenance standards.

**DISCUSSION**

The bus parts in this procurement are used to control many of the systems on Metro buses. These components are replaced as needed based on failure or as part of regularly scheduled maintenance. They allow various parts of the engine to function correctly including portions of the bus dashboard. These components are critical elements to keep the bus systems from shutting down and thus preventing road calls. These electronic components are the brains of the engine and cannot be repaired, only re-programmed or replaced.

The contract to be awarded is a “requirements type” agreement in which we commit to order only from the awardee, up to the specified quantity for a specific duration of time. However, there is no obligation or commitment for us to order any or all of these parts. The bid quantities are estimates only, with deliveries to be ordered and released as required.

### **DETERMINATION OF SAFETY IMPACT**

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

### **FINANCIAL IMPACT**

The funding of \$635,710 for the components is included in the FY16 budget under multiple bus operating cost centers in project 306002 Operations Maintenance under line 50441, Parts - Revenue Vehicle and in Central Maintenance cost center 3366, under project 203035 Engine Replacement Project and line item 50441, Parts - Revenue Vehicle.

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

#### **Impact to Budget**

The source of funds for this procurement will come from Federal, State and local funding sources that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities.

### **ALTERNATIVES CONSIDERED**

The alternative is to not award the contracts and continue to procure bus component control modules on an as-needed basis at a higher cost. 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 bus modules will be fulfilled under the provisions of the contracts.

### **Attachments**

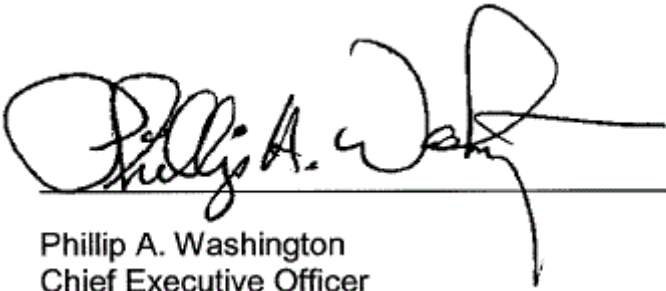
- A. Procurement Summary
- B. DEOD Summary

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Chief Executive Officer