Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2020-0648, **File Type:** Contract **Agenda Number:** 16.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
NOVEMBER 19, 2020

SUBJECT: ELECTRICAL HARNESS KITS

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a four-year, indefinite delivery, indefinite quantity Contract No. SD69847000 to DSM&T Company Inc., the lowest responsive and responsible bidder for electrical harness kits. The Contract two-year base amount is $696,420 inclusive of sales tax with a one-year option amount of $435,263, inclusive of sales tax and a second-year option amount of $435,262, for a total contract amount of $1,566,945, subject to resolution of protest(s), if any.

ISSUE

This procurement is for the acquisition of electrical harness kits are required to maintain the safe and reliable operation of the Cummins natural gas engines, electronic cooling fan systems, catalytic converter exhaust sensing systems, and on-board diagnostic systems in the current bus fleet. Award of this contract will ensure that Metro's Bus Maintenance has adequate inventory and supplies for replacement of the electrical harnesses during the bus midlife refurbishment program.

BACKGROUND

Transit bus engines, transmissions, cooling systems, air conditioning systems, doors, and numerous other systems and components are controlled electrically by switches, sensors, and computers located throughout the buses. Electrical harnesses provide the connection to allow communication through electronic signals to control these systems and components. The harnesses are a critical part of the bus electrical systems, and degradation of the harnesses can significantly impact the performance and reliability of the engine, transmission, and cooling systems. Corrosion or wear in electrical connectors can result in performance problems and unnecessary in-service failures and increased maintenance costs.

DISCUSSION

Electrical harnesses extend throughout the outer shell of all transit buses to control propulsion, access, and comfort systems on buses, along with providing electronic signals for safety devices, such as headlights, taillights, brake lights, and alarm systems. Wiring harnesses degrade over time due to heat and moisture intrusion, which can lead to open circuits, shorted circuits, and high electrical resistance that can lead to the overheating of wires and connectors in the bus electrical

systems.

The electrical harnesses will be replaced during the midlife refurbishment of the New Flyer Xcelsior 40’ transit buses, which are approaching 8 years of age and 300,000 life miles. The new harnesses will ensure a high level of performance and reliability of the new Cummins L9N near-zero emissions engine, exhaust, and cooling system, which require numerous sensors configured to allow for more efficient operation and reduced emissions for the propulsion system.

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 electrical harness kits that may be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required. The Diversity and Economic Opportunity Department (DEOD) recommended a two percent 2% DBE goal for this solicitation and DSM&T Company Inc. made a 2% DBE commitment.

Electrical harness kits will be purchased, maintained in inventory and managed by Material Management. As electrical harness kits are issued, the appropriate budget project numbers and accounts will be charged.

DETERMINATION OF SAFETY IMPACT

Award of this contract will result in a positive impact on safety by ensuring that the Central Maintenance Shops midlife refurbishment program has an adequate inventory of parts to safely maintain the bus fleet according to preventive maintenance requirements and Metro Maintenance standards. Ensuring an adequate supply of critical parts ensures the performance and reliability of the bus fleet which will have a beneficial impact on system safety.

FINANCIAL IMPACT

Funding of approximately $226,337 for the electrical harness kits is required for the remainder of the current fiscal year and is included in the FY21 budget under account 50441, Parts - Revenue Vehicle in the Central Maintenance cost center 3366 under project 203024 midlife refurbishment program. Since this is a multi-year contract, the cost center managers and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years including any option exercised.

Impact to Budget

The source of funds will come from Federal and local funds that are eligible for Bus and Rail Operating Projects. Use of these funding sources maximizes established funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The procurement of electrical harness kits supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The installation of electrical harness kits during the midlife refurbishment program 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 electrical harness kits on the open market on an as-needed basis. This approach is not recommended since the manufacturing of electrical bus harnesses is a very complex process requiring extensive quality control. Purchasing these kits on the open market does not provide an equal level of quality control and does not provide a commitment from the supplier to ensure availability and price stability.

NEXT STEPS

Metro's requirements for electrical harness kits will be fulfilled under the provisions of the contract.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

PURCHASE OF ELECTRICAL HARNESS KITS

CONTRACT NO. SD69847000

1.	**Contract Number**: SD69847000	
2.	**Recommended Vendor**: DSM&T Company Inc. 10609 Business Dr., Fontana, CA 92337	
3.	**Type of Procurement (check one):** ☒ **IFB** ☐ **RFP** ☐ **RFP–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued: 5/18/20	
	B. Advertised/Publicized: 5/18/20	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 7/31/2020	
	E. Pre-Qualification Completed: 9/23/20	
	F. Conflict of Interest Form Submitted to Ethics: 10/1/20	
	G. Protest Period End Date: 9/25/20	
5.	**Solicitations Picked up/Downloaded**: 22	**Bids/Proposals Received**: 3
6.	**Contract Administrator**: **Tanya Allen**	**Telephone Number**: **213/922-1018**
7.	**Project Manager**: **Alex DiNuzzo**	**Telephone Number**: **213/922-5860**

A. Procurement Background

This Board Action is to approve Contract No. SD69847000 for the procurement of Electrical Harness Kits. Board approval of contract awards are subject to resolution of any properly submitted protest.

An Invitation for Bid (IFB) No. SD69847 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.

A total of three bids were received on July 31, 2020:

1. Kiepe Electric LLC
2. DSM&T Company, Inc.
3. Longview Holdings, Inc.

B. Evaluation of Bids

This procurement was conducted in accordance and complies with LACMTA's Acquisition Policy for a competitive sealed bid. There were two (2) bids that were deemed responsive and responsible to the IFB requirements. However, Kiepe Electric LLC, the apparent low bidder, was deemed non-responsive due to failing to meet the mandatory 2% Disadvantage Business Enterprise (DBE) DEOD goal.

DSM&T Company, Inc. was determined to be the lowest responsive and responsible bidder and was in full compliance with the bid and technical requirements of the IFB.

C. Price Analysis

The recommended bid price from DSM&T Company, Inc. has been determined to be fair and reasonable based upon adequate price competition.

Low Bidder Name	Bid Amount	Metro ICE
DSM&T Company, Inc.	$1,566,945.00	$1,170,000
Longview Holdings, Inc.	$1,980,198.00	

D. Background on Recommended Contractor

The recommended firm, DSM&T Company, Inc., is in Fontana, CA has been in business for thirty-eight (38) years. DSM&T Company, Inc. has provided similar products for Metro and other agencies including the Los Angeles Police, LA Sheriff, and San Diego Sheriff Departments; and various smaller municipalities in Los Angeles, San Bernardino and Riverside Counties and numerous other transit properties that are available upon request. DSM&T Company, Inc. has provided satisfactory services and products to Metro on previous purchases.

DEOD SUMMARY

ELECTRICAL HARNESS KITS / SD69847000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this solicitation. DSM&T Company Inc. made a 2% DBE commitment.

In response to a specific Task Order request with a defined scope of work, the prime consultant will be required to identify the actual dollar value commitment for that Task Order. Overall DBE achievement in meeting the commitment will be determined based on cumulative DBE participation of all Task Orders awarded.

Small Business Goal	**2% DBE**	**Small Business Commitment**	**2% DBE**

	DBE Subcontractors	**Ethnicity**	**% Committed**
1.	Say Cargo Express	Hispanic American	2.00%
		Total Commitment	**2.00%**

B. Living Wage / Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of $2.5 million.