



## Board Report

File #: 2020-0912, File Type: Contract

Agenda Number: 20.

---

### OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE MARCH 18, 2021

**SUBJECT: PARTS WASHER LEASING AND MAINTENANCE SERVICES**

**ACTION: APPROVE CONTRACT AWARD**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit rate Contract No. PS7235000, to FRS Environmental Inc., for parts washer leasing, and maintenance services in an amount not to exceed \$1,443,375.00 effective May1, 2021.

#### **ISSUE**

The existing contract will expire on April 30, 2021. To continue to provide the required parts washer leasing and maintenance services to Metro facilities, a new contract is required effective May 1, 2021. This will ensure service continuity and avoid any interruption to Metro's operations.

#### **BACKGROUND**

Under the existing contract, parts washing services are performed throughout Metro Bus and Rail Maintenance facilities. The parts washers are used to remove dirt, grime, and grease from parts, tools, and equipment using aqueous (water or solvent-based) solutions. These units support the diverse production requirements of maintenance shops for both bus and rail operating divisions.

#### **DISCUSSION**

The Central Maintenance Shops (CMS) provides maintenance support to Metro's extensive bus fleet and utilizes thirty-three (33) of the sixty-nine (69) parts washers that shall be leased and maintained as part of this contract. Parts washer equipment are used at the Central Maintenance Facilities to support the operating divisions in completing engine repairs and replacements, transmission disassembly, rebuilding and replacement, major accident repair, complete bus painting, and the rebuilding of components for power plant assemblies. Bus and rail operating divisions also utilize parts washer equipment to support their daily maintenance requirements.

The contract includes lease of contractor-owned parts washing equipment, refilling of these machines to their optimal level, removal and proper disposal of hazardous waste materials and preventative maintenance of the units. Services are performed at various scheduled intervals depending on the

requirements of each location.

### **DETERMINATION OF SAFETY IMPACT**

Award of this contract will ensure that the Central Maintenance Facilities (CMF) will continue to have regularly maintained parts washer machines to clean parts, tools and components required to perform repairs and maintenance of buses and trains in accordance with Metro Maintenance standards.

### **FINANCIAL IMPACT**

Funding of \$50,000 for this contract is included in the FY21 Budget in multiple cost centers under Service Contract Maintenance account 50308 and project 306002 including 3366-Central Maintenance Shops (CMS), 5430-Revenue Collection Equipment Maintenance, 3790-Maintenance Administration, 3601-Maintenance Division 1, 3503-Maintenance Division 3, 3805-Maintenance Division 5, 3707-Maintenance Division 7, 3508-Maintenance Division 8, 3609-Maintenance Division 9, 3513-Maintenance Division 13, 3515-Maintenance Division 15, 3818-Maintenance Division 18; 3942-Red Line, project 300044; and 3943-Green Line, project 300033.

The cost center manager, project manager and Executive Director, Maintenance will ensure that the balance of funds is budgeted in future years.

#### **Impact to Budget**

The current source of funding for this action include Federal, Prop A, Prop C, Measure R, Measure M, TDA, and CARES. Allocating these funding sources to this effort maximizes their intended use given approved funding guidelines and provisions.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The parts washer services support Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The proper cleaning of parts and components will help to maintain the reliability of the bus and rail 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 and rail operations.

### **ALTERNATIVES CONSIDERED**

Staff considered providing this service through Metro in-house staff. This alternative is not recommended for the following reasons: Metro would have to purchase the equipment, costing approximately \$400,000, and handle the maintenance and periodic repair of the equipment; degreasing agents used for parts washer units are considered hazardous materials which requires specialized certification for handling and disposal; removal and transportation of hazardous waste must be performed by a licensed transporter; and treatment and disposal of hazardous waste can

only be performed by a permitted Treatment, Storage and Disposal Facility.

**NEXT STEPS**

Upon approval by the Board, staff will execute Contract No. PS7235000 with FRS Environmental Inc. to provide parts washer leasing and maintenance services.

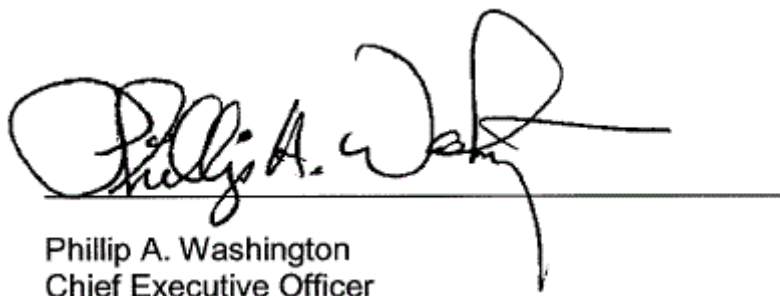
**ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: James Pachan, Superintendent of Maintenance, (213) 922-5804  
Alan Tang, Sr. Manager, Equipment Maintenance, (213) 922-5707

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

## PROCUREMENT SUMMARY

## PARTS WASHER LEASING AND MAINTENANCE SERVICES/PS7235000

1.	<b>Contract Number:</b> PS7235000	
2.	<b>Recommended Vendor:</b> FRS Environmental Inc.	
3.	<b>Type of Procurement (check one):</b> <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.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> November 13, 2020	
	<b>B. Advertised/Publicized:</b> November 13, 2020	
	<b>C. Pre-Bid Conference:</b> November 23, 2020	
	<b>D. Bids Due:</b> December 21, 2020	
	<b>E. Pre-Qualification Completed:</b> January 21, 2021	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> December 28, 2020	
	<b>G. Protest Period End Date:</b> March 22, 2021	
5.	<b>Solicitations Picked up/Downloaded:</b> 8	<b>Bids Received:</b> 1
6.	<b>Contract Administrator:</b> Antwaun Boykin	<b>Telephone Number:</b> (213) 922-1056
7.	<b>Project Manager:</b> Alan Tang	<b>Telephone Number:</b> (213) 922-5707

**A. Procurement Background**

This Board Action is to approve the award of Contract No. PS7235000 to FRS Environmental, Inc. to provide parts washer leasing and maintenance services for Metro's Central Maintenance Shops as well as certain bus/rail maintenance divisions.

Invitation for Bid (IFB) No. PS72350 was issued as a competitive procurement in accordance with Metro's Acquisition Policy. The proposed contract type is a firm fixed unit rate. The IFB was open only to Metro Certified Small Business Enterprise (SBE) firms.

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

- Amendment No. 1, issued on November 24, 2020 revised Section III of the IFB, Submittal Requirements to include additional requirements.
- Amendment No. 2, issued on December 11, 2020 revised Exhibit A, Scope of Services and Exhibit 2, Schedule of Quantities and Prices to include additional equipment requirement.
- Amendment No. 3, issued on December 17, 2020 extended the bid due date and revised the bid opening date.

IFB No. PS72350 was released on November 13, 2020, as a competitive procurement open only to Metro certified small businesses. The solicitation was available for download from Metro's website. Advertisements were placed with the Los Angeles Daily News to notify potential proposers of this solicitation. Metro notified

proposers from Metro's vendor database based on applicable North American Industry Classification System (NAICS) codes.

A pre-bid conference was held on November 23, 2020 and was attended by one participant.

Eight (8) firms downloaded the IFB and were included on Metro's planholders' list. Eight (8) questions were received regarding the solicitation and were responded to prior to the bid due date. Only one (1) bid was received on December 21, 2020.

Metro staff canvassed firms on the planholders list to determine why no other bids were received. Only a single response was received from TEQ Lease stating they only finance equipment. The planholders list consisted of the incumbent contractor, four (4) companies that provide access to bid plan rooms and upcoming bid opportunities, two (2) firms that provide specialty services that are different from the IFB requirements and one (1) firm is a parts washer manufacturer.

## **B. Evaluation of Bids**

This procurement was conducted in accordance with and complies with Metro's Acquisition Policy for a competitive sealed bid. One (1) bid was received from the bidder listed below:

FRS Environmental Inc.

The firm was determined to be responsive, responsible and qualified to perform the services based on the IFB's requirements.

## **C. Cost/Price Analysis**

The recommended fully burdened unit rates from FRS Environmental Inc. were determined fair and reasonable based on price analysis, technical evaluation, fact finding and negotiations.

<b>Bidder Name</b>	<b>Original Bid Amount</b>	<b>Metro ICE</b>	<b>Negotiated Bid Amount</b>
FRS Environmental Inc.	\$1,476,365.00	\$1,411,250.00	\$1,443,375.00

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

The recommended firm, FRS Environmental Inc. (FRS Environmental) located in Corona, CA has been in business for over 20 years. It provides waste management solutions such as pressure washing, hazardous waste management, lab packing, vacuum pumping, parts washers and soaps and solutions. FRS Environmental's clients include the City of Los Angeles, 29 Palms US Marine Corps Base, Omnitrans, and Metro.

FRS Environmental is a Metro certified SBE firm. It has been providing parts washing leasing and maintenance services to Metro since 2006 and performance has been satisfactory.

DEOD SUMMARY

**PARTS WASHER SERVICES FOR MAINTENANCE FACILITIES / PS7235000**

**A. Small Business Participation**

Effective June 2, 2014, per Metro's Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Set-Aside procurement.

Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to SBE Certified Small Businesses Only.

FRS Environmental Inc., an SBE Prime, is performing 100% of the work with its own workforce.

**B. Living Wage and 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.