



Board Report

File #: 2021-0659, File Type: Contract

Agenda Number: 19.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE NOVEMBER 18, 2021

SUBJECT: OPERATION AND MAINTENANCE OF COMPRESSED NATURAL GAS FUELING STATIONS AT DIVISIONS 1, 3, 5, 7, 10 & 18

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP749030003367 with Clean Energy, for Operation and Maintenance (O&M) of Compressed Natural Gas (CNG) fueling stations at divisions 1, 3, 5, 7, 10 & 18, for a not-to-exceed amount of \$5,285,439 for the five-year base period, and \$5,623,284 for the five (5), one-year option terms, for a combined not-to-exceed amount of \$10,908,723, effective March 1, 2022, subject to resolution of all properly submitted protest(s), if any.

ISSUE

The existing contracts for CNG fueling stations O&M services at divisions 1, 3, 5, 7, 10 & 18 expire on February 28, 2022. To ensure service continuity along with safe and timely operations, a new contract award is required effective March 1, 2022.

BACKGROUND

On June 24, 2010 Metro Board of Directors awarded a 10-year, firm fixed unit rate Contract No. OP33432475 to Clean Energy, for Divisions 10 and 18 CNG fueling facility electrification upgrades, including O&M services agreement. On October 28, 2010, Metro Board of Directors awarded a 10-year, firm fixed unit rate Contract No. OP33432555 to Clean Energy, for CNG fueling stations O&M services at Divisions 1, 3, 5, & 7.

Under the existing contracts, the contractor is responsible for conducting preventative maintenance, as-needed repairs, training of staff, maintaining records, and complying with regulations of the authorities having jurisdiction.

While partial roll-out of the zero-emission electric bus services were deployed for revenue service on Metro's G Line (Orange), Metro's existing CNG fueling stations require service continuity of the systematic preventive maintenance program and repair of associated equipment. This action is necessary to support the existing fleet of CNG buses currently in service, ensure timely bus roll-out at

each Division and provide a safe and reliable bus transportation system for our patrons.

DISCUSSION

Under this new contract, the contractor is required to perform comprehensive O&M services of the CNG equipment at Metro Bus Divisions 1, 3, 5, 7, 10 and 18. This includes all related electrical systems, fuel hoses and nozzles, and the gas monitoring system. The Contractor is also required to provide all repair parts, overhaul services, and consumables to include compressor oils, all other lubricants, dryer desiccants, as well as all scheduled and unscheduled replacements for compressors, motors, valves and all other equipment and appurtenances necessary to efficiently operate Metro's CNG fueling facilities.

Per contract requirements, the contractor shall provide Metro personnel with the necessary training to perform routine maintenance work. Metro will charge the contractor for the O&M work performed by Metro personnel, and the contractor shall pay for all associated labor costs.

The contract includes terms and liquidated damages designed to minimize equipment downtime and bus roll-out interruption. Liquidated damages may be imposed if bus roll-out schedule is not met, buses are directed to alternate locations for fueling to meet scheduled roll-out due to lack of fueling capacity or fueling performance, or if more than one (1) CNG compressor is not available to operate between 5:00 PM and 5:00 AM daily.

The contract also includes requirements for CNG facility de-commissioning during the life of the contract, to accommodate Metro's electric bus fleet deployment and phase out of the CNG busses.

DETERMINATION OF SAFETY IMPACT

The approval of this item will ensure safe, timely, and quality preventive maintenance, operation, and repair services for the CNG fueling stations throughout Metro bus Divisions 1, 3, 5, 7, 10 and 18.

FINANCIAL IMPACT

Under FY22 Budget, funding of \$1,200,000 is included under cost center 3367 - Facilities Maintenance, account 50308, Service Contract Maintenance, under project 306002.

Please note that this new contract term not-to-exceed amount reflects more than 60% cost savings when compared to the existing contract. This is mainly due to updating the contract schedule of quantities to reflect actual CNG usage historical data, and the projected roll-out schedule of the zero-emission electric buses for the upcoming years.

Since this is a multi-year contract, the cost center manager and Deputy Chief of Maintenance & Engineering (Acting) will be accountable for budgeting the cost in future years.

Impact to Budget

The current sources of funds for this action include Proposition A/C, Measure R/M, Transportation Development Act and State Transit Assistance. Use of these funding sources currently maximizes project funding allocations given approved funding provisions and guidelines.

EQUITY PLATFORM

The Diversity and Economic Opportunity Department (DEOD) did not recommend a Small/Disabled Veteran Business Enterprise (SBE/DVBE) participation goal for this procurement due to the lack of subcontracting opportunities. The purpose of this procurement is to provide comprehensive O&M services for the existing CNG Fueling Stations. Per the Amalgamated Transit Union (ATU) labor agreement, all labor under this contract will be performed by Metro ATU union employees.

Strategies to mitigate any potential negative consequences would be to partner with Vendor/Contract Management (V/CM) to perform outreach events to and assist small businesses within the targeted groups to become Metro certified and encouraged to participate with new contract solicitations.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This Board action supports Strategic Goal 5; Provide responsive, accountable, and trustworthy governance within the Metro organization. Performing preventive maintenance, inspections and as-needed repairs will ensure timely bus roll-outs and provide safe and reliable operation of CNG fueling stations at Metro bus Divisions 1, 3, 5, 7, 10 and 18.

ALTERNATIVES CONSIDERED

Staff considered providing this service with in-house staff. This would require the hiring and training of additional certified personnel, purchase of additional tools, equipment, vehicles, supplies, training, expertise and the assumption of extra responsibility and liability. Staff's assessment indicates this is not a cost-effective option for Metro as the expertise and operational knowledge required are highly specialized and costly. There is also value in utilizing professionals with knowledge of and experience with best practices throughout the country.

NEXT STEPS

Upon approval by the Board, staff will execute a firm fixed unit rate Contract No. OP749030003367 with Clean Energy, for Operation and Maintenance (O&M) of Compressed Natural Gas (CNG) fueling stations at divisions 1, 3, 5, 7, 10 & 18, effective March 1, 2022.

ATTACHMENTS

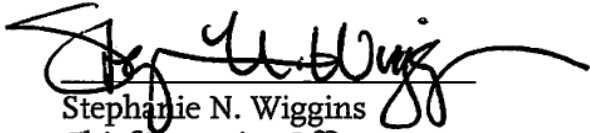
Attachment A - Procurement Summary
Attachment B - DEOD Summary

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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY
OPERATION AND MAINTENANCE OF COMPRESSED NATURAL GAS FUELING
STATIONS AT DIVISIONS 1, 3, 5, 7, 10 & 18/OP749030003367

1.	Contract Number: OP749030003367	
2.	Recommended Vendor: Clean Energy	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> RFP <input type="checkbox"/> IFB <input type="checkbox"/> IFB-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: April 7, 2021	
	B. Advertised/Publicized: April 7, 2021	
	C. Pre-proposal/Pre-Bid Conference: April 19, 2021	
	D. Proposals/Bids Due: June 1, 2021	
	E. Pre-Qualification Completed: July 14, 2021	
	F. Conflict of Interest Form Submitted to Ethics: June 8, 2021	
	G. Protest Period End Date: November 22, 2021	
5.	Solicitations Picked up/Downloaded: 11	Bids Received: 2
6.	Contract Administrator: Aielyn Dumaua	Telephone Number: (213) 922-7320
7.	Project Manager: Christopher Limon	Telephone Number: (213) 922-6637

A. Procurement Background

This Board Action is to approve the award of OP749030003367 to Clean Energy, to provide comprehensive operations and maintenance services for compressed natural gas (CNG) fueling stations at Divisions 1, 3, 5, 7, 10 and 18. Board approval of contract award is subject to resolution of all properly submitted protest(s).

On April 7, 2021, Request for Proposals (RFP) No. OP74903 was issued as a competitive procurement in accordance with Metro's Acquisition Policy. The proposed contract type is firm fixed unit rate. The Diversity and Economic Opportunity Department (DEOD) did not recommend a Small Business Enterprise (SBE) and Disabled Veteran Business Enterprise (DVBE) participation goal due to lack of subcontracting opportunities.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on May 19, 2021, extended the proposal due date.
- Amendment No. 2, issued on May 24, 2021, clarified the scope of services and replaced the schedule of quantities and prices form.

A virtual pre-proposal conference was held on April 19, 2021. Worksite visits were also conducted on April 20 and 21, 2021. There were no questions received prior to the proposal due date.

A total of eleven firms downloaded the RFP and were included on the planholders' list. Two proposals were received by the due date of June 1, 2021 and are listed below in alphabetical order:

1. Clean Energy
2. Trillium Transportation Fuels, LLC

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Facilities Contracted Maintenance Services, Environmental Compliance/Sustainability and Facilities/Property Maintenance Departments were convened and conducted a comprehensive technical evaluation of the proposals received.

Proposals were evaluated based on the following evaluation criteria stated in the RFP:

- Qualifications of the Firm/Team 15 percent
- Qualifications and Experience of Key Personnel 20 percent
- Management Plan/Approach 35 percent
- Cost Proposal 30 percent

The evaluation criteria are appropriate and consistent with criteria developed for similar operations and maintenance services procurements. Several factors were considered in developing these weights, giving the greatest importance to the management plan/approach.

On June 2, 2021, the PET met to review the evaluation criteria package, process confidentiality and conflict of interest forms and take receipt of the two proposals to initiate the evaluation phase. Evaluations were conducted from June 2, 2021 through June 18, 2021.

On June 18, 2021, the PET reconvened and determined that both proposals were technically acceptable and fell within the competitive range.

On June 25, 2021, oral presentations were held with both firms. The project managers and key team members from each firm were invited to present their firm's respective qualifications and respond to the PET's questions. At the conclusion of the oral presentations, Clean Energy was determined to be the highest rated firm.

Qualifications Summary of Firms Within the Competitive Range:

Clean Energy

Clean Energy has provided CNG station maintenance services for high volume transit agencies since 1996. It currently operates 80 natural gas fueling stations for transit agencies. Existing customers include LACMTA, New York MTA, Foothill

Transit, Orange County Transit Authority, Santa Monica Big Blue Bus, Dallas Area Rapid Transit, Phoenix Transit, New Jersey Transit, Jacksonville Transportation Authority, NICE Bus (Nassau County, New York) and Washington Metro Area Transportation Authority.

Trillium Transportation Fuels, LLC

Trillium Transportation Fuels, LLC is headquartered in Houston, Texas and has over 27 years of experience designing, building, operating, and maintaining high volume, public transit CNG fueling facilities. Existing clients include Orange County Transportation Authority (OCTA), San Diego Metropolitan Transit System (MTS), Massachusetts Bay Transportation Authority (MBTA), New York City Transit (MTA), Pennsylvania Department of Transportation (PennDOT), North County Transit District (NCTD), Regional Transportation Commission of Southern Nevada (RTC) and Miami-Dade County.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	Clean Energy				
3	Qualifications of the Firm/Team	81.53	15.00%	12.23	
4	Qualifications and Experience of Key Personnel	81.90	20.00%	16.38	
5	Management Plan/Approach	79.00	35.00%	27.65	
6	Cost Proposal	100.00	30.00%	30.00	
7	Total		100.00%	86.26	1
8	Trillium Transportation Fuels, LLC				
9	Qualifications of the Firm/Team	78.00	15.00%	11.70	
10	Qualifications and Experience of Key Personnel	77.50	20.00%	15.50	
11	Management Plan/Approach	76.51	35.00%	26.78	
12	Cost Proposal	96.47	30.00%	28.94	
13	Total		100.00%	82.92	2

C. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on adequate price competition, price analysis, technical analysis, and fact-finding. The recommended price is lower than Metro’s independent cost estimate (ICE).

PROPOSER	AMOUNT	METRO ICE	AWARD AMOUNT
1. Clean Energy	\$10,908,723	\$16,539,927	\$10,908,723
2. Trillium Transportation Fuels, LLC	\$11,307,445		

D. Background on Recommended Contractor

The recommended firm, Clean Energy, located in Newport Beach, CA, was established in 1996. It is a renewable natural gas distribution company that also designs, builds, operates, and maintains fueling stations; sells and services compressors and other equipment that are used in fueling stations; and provides assessment, design, and modification solutions to offer operators with code-compliant service and maintenance facilities for natural gas vehicle fleets.

Clean Energy currently employs over 190 trained, and certified service technicians on call 24/7/365, including 30 in Southern California.

Clean Energy has been providing comprehensive operations and maintenance services for compressed natural gas (CNG) fueling stations to Metro since 2010 and performance has been satisfactory.

Clean Energy's proposed Project Manager has more than 35 years of experience leading teams that operate and maintain specialized industrial equipment. He is the project manager of the current contract.

DEOD SUMMARY

OPERATION AND MAINTENANCE OF COMPRESSED NATURAL GAS FUELING STATIONS AT DIVISIONS 1, 3, 5, 7, 10 & 18 / OP749030003367

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a goal for this solicitation due to the lack of subcontracting opportunities. The purpose of this procurement is to provide comprehensive operations and maintenance (O&M) services for the existing Compressed Natural Gas (CNG) Fueling Stations. Per the Amalgamated Transit Union labor agreement, Metro ATU union employees will perform all labor under this contract.

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.