



## Board Report

File #: 2024-0474, File Type: Contract

Agenda Number: 22.

---

### OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE SEPTEMBER 19, 2024

**SUBJECT: BRAKE CALIPER ASSEMBLIES**

**ACTION: AWARD CONTRACT**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a two-year, Indefinite Delivery/Indefinite Quantity (IDIQ) Contract No. MA113925000 to Zen Industrial Services, Inc., the lowest responsive and responsible bidder to supply Brake Caliper Assemblies in the not-to-exceed (NTE) amount of \$3,015,693.07, inclusive of sales tax, subject to the resolution of any properly submitted protest(s), if any.

#### **ISSUE**

This procurement is for brake caliper assemblies, a major component used on both the front and rear braking systems on Metro's fleet of North American Bus Industries (NABI) and El Dorado buses, to maintain the safe and reliable operation of the bus fleet. The El Dorado and NABI buses have been in service for several years, and the brake caliper assemblies are failing at increased rates with the increased age and mileage on these buses fleets.

The award of this contract will ensure the operating divisions have adequate inventory to repair and maintain the buses according to Metro maintenance standards, which is necessary to ensure service continuity and avoid any interruption to Metro operations.

#### **BACKGROUND**

The brake caliper assemblies are a major component of the braking systems used on buses to slow, stop, and provide emergency braking. These brake caliper assemblies are used on buses that were purchased several years ago, and the buses are experiencing higher failure rates of the brake caliper assemblies. The replacement of the brake caliper assemblies is extremely important in ensuring the proper functioning of the braking system and the safety of Metro's bus fleet.

#### **DISCUSSION**

The caliper assembly is part of the disc brake system that houses the brake pads and piston. Its function is to apply pressure to the piston that activates the brake pads to slow or stop the bus by

creating friction between the brake pads and rotors. During the service life of buses in normal driving conditions, the caliper assemblies wear due to the constant braking in heavy stop-and-go traffic conditions to slow or stop the buses.

The brake caliper assembly is one of the critical components of the bus braking system. Replacing the brake caliper assemblies as part of Metro's preventive maintenance program reduces operating costs by reducing in-service failures and road calls while keeping buses in revenue service.

The contract to be awarded is a "requirements type" agreement in which Metro commits to ordering only from the awardee up to the specified quantity for a specific duration of time. However, Metro is not obligated or committed to ordering any specific quantity of the caliper assemblies that may currently be anticipated. The requirements type agreement will ensure that Metro only purchases the quantity of parts needed to repair equipment with damaged components. The bid quantities are estimates only, with deliveries to be ordered and released as required.

The brake caliper assemblies will be purchased and maintained in inventory and managed by Material Management. The appropriate budget project numbers and accounts will be charged as the caliper assemblies are issued.

### **DETERMINATION OF SAFETY IMPACT**

The award of this contract will ensure that all operating divisions have adequate inventory to maintain the brake systems on the NABI and El Dorado bus fleets according to Metro Maintenance standards. This ensures the safety of bus passengers and Metro employees by maintaining the bus fleet's ability to stop in accordance with Federal and State regulatory requirements.

### **FINANCIAL IMPACT**

The funding of \$1,507,846.54 for the various caliper assemblies - disc brakes is included in the FY25 budget under multiple bus operating cost centers in project 306002 Operations Maintenance under line item 50441, Parts - Revenue Vehicle.

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 current funding sources for this action are Federal 5307, Proposition A, Proposition C, Measure R, Measure M, and Transportation Development Act. These sources are eligible for Bus Operating projects. Using these funding sources maximizes the project funding allowances given approved provisions and guidelines.

### **EQUITY PLATFORM**

The benefits of this action are to ensure the bus fleet that serves most regions in Los Angeles County, including many Equity Focus Communities, can provide vital transportation services to

neighborhoods where disparities within the region can exist between residents' access to jobs, housing, education, health, and safety. Bus transportation provides an essential lifeline for the residents in EFCs, and the Metro bus maintenance programs ensure the proper State of Good Repair of the bus fleet to provide transportation for these communities.

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this procurement. Zen Industrial Services, Inc., a DBE Prime, made a 100% DBE commitment and as a regular dealer is eligible to receive 60% DBE credit.

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

The caliper assemblies support Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. They will help maintain the reliability of the bus fleets 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 not to award the contract and procure the caliper assemblies as needed, using the traditional "min/max" replenishment method. This strategy is not recommended since it does not require a commitment from the supplier to ensure availability, timely delivery, continued supply, and a guaranteed fixed price for the parts.

### **NEXT STEPS**

Upon approval by the Board, staff will execute No. MA113925000 for the procurement of caliper assemblies for the NABI and El Dorado bus fleets with Zen Industrial Services, Inc.

### **ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared By: Harold Torres, Senior Director, Central Maintenance, (213) 922-5714  
James Pachan, Senior Executive Officer, (213) 922-5804  
Matthew Dake, Deputy Chief Operations Officer, (213) 922-4061  
Debra Avila, Deputy Chief Vendor/Contract Management Officer, (213) 418-3051

Reviewed by: Conan Cheung, Chief Operations Officer (213) 418-3034



Stephanie N. Wiggins  
Chief Executive Officer

PROCUREMENT SUMMARY

BRAKE CALIPER ASSEMBLIES / MA113925000

1.	<b>Contract Number:</b> MA113925000	
2.	<b>Recommended Vendor:</b> Zen Industrial Services, LLC.	
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> 2/20/24	
	<b>B. Advertised/Publicized:</b> 2/21/24	
	<b>C. Pre-proposal/Pre-Bid Conference:</b> N/A	
	<b>D. Proposals/Bids Due:</b> 4/5/24	
	<b>E. Pre-Qualification Completed:</b> 5/20/24	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> 4/12/24	
	<b>G. Protest Period End Date:</b> 9/24/24	
5.	<b>Solicitations Picked up/Downloaded:</b> 10	<b>Bids/Proposals Received:</b> 4
6.	<b>Contract Administrator:</b> Tanya Allen	<b>Telephone Number:</b> (213) 922-1018
7.	<b>Project Manager:</b> Harold Torres	<b>Telephone Number:</b> (213) 922-5714

**A. Procurement Background**

This Board Action is to approve Contract No. MA113925000 for the procurement of Brake Caliper Assemblies. Board approval of this contract award is subject to the resolution of any properly submitted protest, (if any).

An Invitation for Bid (IFB) No. MA113925 was issued in accordance with Metro’s Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

No amendments were issued during the solicitation phase of this IFB.

A total of four (4) bids were received on April 5, 2024.

**B. Evaluation of Bids**

This procurement was conducted in accordance and complies with Metro’s Acquisition Policy for a competitive sealed bid. The four bids received are listed below in alphabetical order:

1. American Moving Parts
2. Gillig, LLC
3. The Aftermarket Parts Company

#### 4. Zen Industrial Services, Inc.

All firms were determined to be responsive and responsible to the IFB requirements. The recommended firm, Zen Industrial Services, Inc., the lowest responsive and responsible bidder, was found to be in full compliance in meeting the bid and technical requirements of the IFB.

### **C. Price Analysis**

The recommended bid price from Zen Industrial Services, Inc. has been determined to be fair and reasonable based upon adequate price competition, the Independent Cost Estimate (ICE), and selection of the lowest responsive and responsible bidder.

The recommended bid price of \$3,015,693.07 is 13% lower than the ICE of \$3,460,999. The ICE was based on the most recent individual purchases which reflect increased material and shipping costs as a result of raw material shortages, increased fuel costs, and high inflation. Due to the solicitation of these parts in a competitive environment, this contract will achieve a price savings of 15% based on historical pricing.

<b>Bidder Name</b>	<b>Bid Amount</b>	<b>Metro ICE</b>
Zen Industrial Service Inc.	\$3,015,693.07	\$3,460,999.00
Gillig, LLC	\$3,067,128.29	
American Moving Parts	\$3,069,304.27	
The Aftermarket Parts Company	\$3,603,871.01	

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

The recommended firm, Zen Industrial Services, Inc. is located in Rye Brook, NY and has been in business for 20 years. Zen Industrial Services, Inc. (Zen), Inc. has provided similar products for Metro and other transit agencies including New York City Transit (NYCT), NY and Dallas Area Rapid Transit (DART), TX. Zen has provided satisfactory service and products to Metro on previous purchases.

DEOD SUMMARY

**BRAKE CALIPER ASSEMBLIES / MA113925000**

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this Indefinite Delivery / Indefinite Quantity (IDIQ) solicitation. Zen Industrial Services, Inc. a DBE Prime, made a 100% commitment of the work with its own workforce. As a regular dealer, Zen Industrial Services, Inc. is eligible to receive 60% DBE credit for the value of supplies provided on this contract.

<b>Small Business Goal</b>	<b>2% DBE</b>	<b>Small Business Commitment</b>	<b>60% DBE</b>
----------------------------	---------------	----------------------------------	----------------

	<b>DBE Subcontractor</b>	<b>Ethnicity</b>	<b>% Committed</b>
1.	Zen Industrial Services, Inc. (DBE Prime)	Subcontinent Asian American	60%
<b>Total Commitment</b>			<b>60%</b>

**B. Local Small Business Enterprise (LSBE) Preference**

The LSBE preference is not applicable to federally funded procurements. Federal law (49 CFR § 661.21) prohibits the use of local procurement preferences on FTA-funded projects.

**C. Living Wage and Service Contract Worker Retention Policy Applicability**

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

**D. Prevailing Wage Applicability**

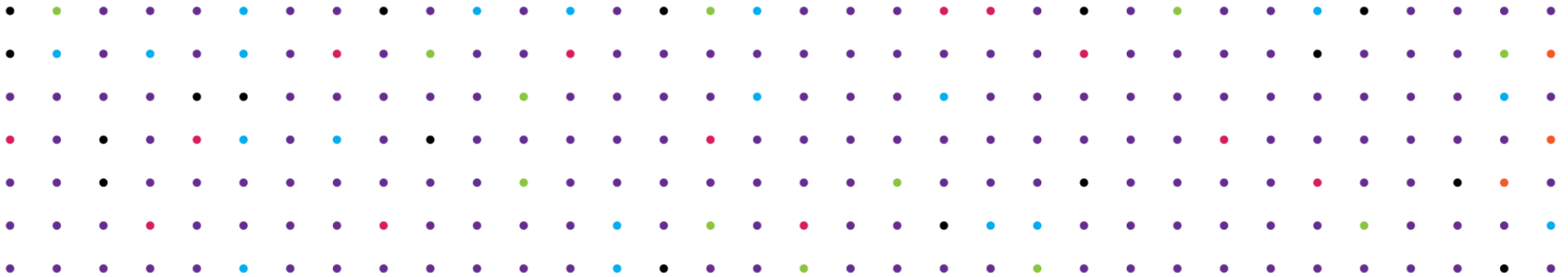
Prevailing wage is not applicable to this contract.

**E. Project Labor Agreement/Construction Careers Policy**

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

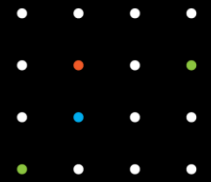
# BRAKE CALIPER ASSEMBLIES

SEPTEMBER 19, 2024



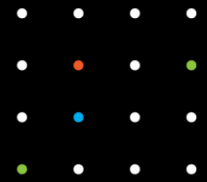


# RECOMMENDATION



AUTHORIZE the Chief Executive Officer to award a two-year, Indefinite Delivery / Indefinite Quantity (IDIQ) Contract No. MA113925000 to Zen Industrial Services, Inc., the lowest responsive and responsible bidder to supply Brake Caliper Assemblies in the not-to-exceed amount of \$3,015,693.07, inclusive of sales tax, subject to the resolution of protest(s), if any.

# ISSUE & DISCUSSION



**AWARDEE** - Zen Industrial Services, Inc.

**NUMBER OF BIDS** - 4

- Zen Industrial Services - \$3,015,693.07
- Gillig LLC - \$3,067,128.29
- American Moving Parts LLC - \$3,069,304.27
- The Aftermarket Parts Company – \$3,603,871.01

**DEOD COMMITMENT** - 60%

## **ISSUE**

The caliper assembly is major component of the bus braking system on Metro’s fleet of North American Bus Industries (NABI) and El Dorado buses.

## **DISCUSSION**

The replacement of worn caliper assemblies is a part of Metro’s preventive maintenance program to reduce in-service failures and road calls, which ensures the safety of passengers and provides a high level of customer service.

