

Recommendation of Award

Notice of Intent to Award Number: 230000000978

The Department of Technology, Management, & Budget's Procurement office has completed the evaluation of RFP # 230000001762, Medium Class of Non-Lift and Lift Transit Buses, and has recommended a multiple award to Hoekstra Transportation and TESCO, pending State Administrative Board approval, if applicable. More information on the State Administrative Board can be found at: [State Administrative Board](#).

Bidders who were not recommended for the award are encouraged to schedule a debriefing session with the Solicitation Manager. The debriefing session will provide the bidder with the State's rationale on why the bidder was not recommended for the award. The Solicitation Manager may be contacted as follows:

Yvon Dufour, Solicitation Manager
 dufoury@michigan.gov
 (517) 249-0455

Background Information:

This Request for Proposal (RFP) was to solicit responses for selection of a Contractor(s) to provide Medium Transit Buses with or without Lifts for local transit agencies. The term of this contract is two (2) years, with up to two (2), one (1) year renewal options.

Bidders:

The RFP was posted on www.michigan.gov/SIGMAVSS on 4/12/2023 for forty-nine (49) days. The following bidders submitted proposals by the published due date of 5/31/2023.

Bidder	Address City, State Zip	SDVOB*
Transportation Equipment Sales Corp. (TESCO)	Oregon, OH 43618	No
Hoekstra Transportation Inc.	Grand Rapids, MI 49548	No

*SDVOB: Service-Disabled Veteran Owned Business

Evaluation Synopsis

I. Evaluation Process

A Responsible Vendor is a vendor that demonstrates it has the ability to successfully perform the duties identified by the solicitation. A Responsive proposal is one that is submitted in accordance with the solicitation instructions and meets all mandatory requirements identified in the solicitation.

Solicitation Instructions and Vendor Questions, Section 7, Mandatory Minimum Requirements.

7. MANDATORY MINIMUM REQUIREMENTS.

Required Documents	
A	Signed Agreement with Federal Transit Administration (FTA) Clauses (Schedule E)
B	<p>Altoona Test Bus Report (full test report required)</p> <p>The Altoona Bus Test Report will certify</p> <ul style="list-style-type: none"> (i) that it is a full or partial STURAA Test (in compliance with the Surface Transportation and Uniform Relocation Assistance Act) (ii) compliance per the following Federal Transit Administration (FTA) <ol style="list-style-type: none"> 1. The Class 1 and Class II bus model(s) offered are a minimum 7 years/200,000 mile buses respectively. 2. Will meet the requirements of Federal Register Rules and Regulations 49 CFR Part 665, Bus Testing Program. 3. Testing is required for a manufacturer of a new bus model or a bus produced with a major change in component or configuration shall provide a copy of the test report(s) as specified in CFR §665.11 and § 665.13. 4. Bidders shall submit any and all reports related to the buses in this bid as specified in CFR §665.11 and § 665.13. <p>NOTE: If the Bidder is submitting a partial test, a related full report must also be submitted with the bid response.</p>
C	Current Valid Motor Vehicle Dealer License
D	Completed Affidavit for Driver Delivery (Schedule F)

Only proposals meeting the mandatory minimum requirements will be considered for evaluation.

8. EVALUATION PROCESS. The State will evaluate each proposal based on the following factors:

	Technical Evaluation Criteria	Weight
1.	Specifications – Schedule D – Medium Class of non-lift and lift transit buses Specifications, and Schedule A – Statement of Work sections 1.1 and 1.1.1	50
2.	Company & Prior Experience and Key Personnel – Vendor Questions Worksheet , Section 2, 4, 5, 6, 7, 8, 9 & 10 and Schedule A , all of Section 3	20
3.	Warranty – Schedule A , Sections 1.2	10
4.	Service – Schedule A , all of Section 2.3 to 2.6	5

	Technical Evaluation Criteria	Weight
5.	Delivery – Schedule A , Sections 2.1, 2.2, 6.1, and 6.2	5
6.	Acceptance, Inspection and Testing– Schedule A , all of section 7.	10
	Total	100

Proposals receiving 80 or more technical evaluation points will have pricing evaluated and considered for award.

The State may utilize all bidder information, without regard to a proposal’s technical score, to determine fair market value for goods or services sought. The State is not obligated to accept the lowest price proposal. If applicable, the State’s evaluation will include consideration of a bidder’s qualified disabled veterans/service-disabled veteran owned business(QDV/SDVOB) status under MCL 18.1261(8). Additional information on the SDVOB preference is available at: Michigan.gov/SDVOB.

The State strongly encourages strict adherence to the Contract Terms. The State reserves the right to deem a bid non-responsive for failure to accept the Contract Terms. Nevertheless, the bidder may submit proposed changes to the Contract Terms in track changes (i.e., visible edits) with an explanation of the bidder’s need for each proposed change. Failure to include track changes with an explanation of the bidder’s need for the proposed change constitutes the bidder’s acceptance of the Contract Terms. General statements, such as that the bidder reserves the right to negotiate the terms and conditions, may be considered non-responsive. Failure to respond timely to requests for proposed changes to Contract Terms during ongoing negotiations may be cause for disqualification.

The State may but is not required to conduct an on-site visit to tour and inspect the bidder’s facilities; require an oral presentation of the bidder's proposal; conduct interviews, research, reference checks, and background checks; and request additional price concessions at any point during the evaluation process.

II. Evaluation Method

Responses to this solicitation were reviewed by the *Solicitation Manager in collaboration with Subject Matter Experts*, which consisted of the following individuals: Yvon Dufour – Solicitation Manager, Jeff Turner – MDOT Vehicle Analyst, and Fred Featherly – MDOT Office of Passenger Transportation, Project Manager.

III. Evaluation Results

Step 1 - Mandatory Minimums

Bidder	Meets	Deficiency
Transportation Equipment Sales Corp. (TESCO)	YES	NA
Hoekstra Transportation Inc.	YES	NA

Step 2 – Technical Evaluation

A. Transportation Equipment Sales Corp. (TESCO)

The Evaluation Team determined that TESCO, based on a score of 100/100, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. **Specifications** – Schedule D – Medium Class of Non-Lift and Lift Transit Buses Specifications, and Schedule A – Statement of Work sections 1.1 and 1.1.1 SCORE 50/50

The Evaluation Team determined that overall, the responses were satisfactory.

2. **Company & Prior Experience and Key Personnel** – Vendor Questions Worksheet, Sections 2, 4, 5, 6, 7, 8, 9, & 10 and Schedule A, all of Section 3. SCORE 20/20

The Evaluation Team determined that overall, the responses were satisfactory.

3. **Warranty** – Schedule A, Section 1.2. SCORE 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

4. **Service** – Schedule A, all of sections 2.3 to 2.6 SCORE 5/5

The Evaluation Team determined that overall, the responses were satisfactory.

5. **Delivery** – Schedule A, Sections 2.1, 2.2, 6.1, and 6.2. SCORE 5/5

The Evaluation Team determined that overall, the responses were satisfactory.

6. **Acceptance, Inspection and Testing** – Schedule A, all of section 7. SCORE 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 100/100

B. Hoekstra Transportation Inc. (Hoekstra)

The Evaluation Team determined that Hoekstra, based on a score of 100/100, did meet the requirements of this RFP. This determination was accomplished by evaluating their responses to the Technical Evaluation Criteria.

1. **Specifications** – Schedule D – Medium Class of Non-Lift and Lift Transit Buses Specifications, and Schedule A – Statement of Work sections 1.1 and 1.1.1 SCORE 50/50

The Evaluation Team determined that overall, the responses were satisfactory.

2. **Company & Prior Experience and Key Personnel** – Vendor Questions Worksheet, Sections 2, 4, 5, 6, 7, 8, 9, & 10 and Schedule A, all of Section 3. SCORE 20/20

The Evaluation Team determined that overall, the responses were satisfactory.

3. **Warranty** – Schedule A, Section 1.2. SCORE 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

4. **Service** – Schedule A, all of sections 2.3 to 2.6 SCORE 5/5

The Evaluation Team determined that overall, the responses were satisfactory.

5. Delivery – Schedule A, Sections 2.1, 2.2, 6.1, and 6.2. SCORE 5/5

The Evaluation Team determined that overall, the responses were satisfactory.

6. Acceptance, Inspection and Testing – Schedule A, all of section 7. SCORE 10/10

The Evaluation Team determined that overall, the responses were satisfactory.

Total Score: 100/100

IV. Technical Evaluation Summary

	Weight	TESCO	Hoekstra
1. Specifications	50	50	50
2. Company & Prior Experience/Key Personnel	20	20	20
3. Warranty	10	10	10
4. Service	5	5	5
5. Delivery	5	5	5
6. Acceptance, Inspection and Testing	10	10	10
Total:	100	100	100

VI. Pricing Summary

Pricing was evaluated for the bidders who passed technical. The following is a summary of their price proposals:

Description	TESCO		HOEKSTRA	
	Round 1	Round 2	Round 1	Round 2
*Base Vehicle (44 buses)	\$7,776,548.00	\$7,727,048.00	\$7,870,518.00	\$7,895,268.00
**Equipment Options	\$355,572.00	\$355,572.00	\$326,695.00	\$326,695.00
GRAND TOTALS	8,132,120.00	8,082,620.00	8,197,213.00	8,221,963.00

*Hoekstra base vehicle pricing (average cost per vehicle = \$179,438). TESCO base vehicle pricing (average cost per vehicle = \$175,615).

**Hoekstra options pricing is for a total of 73 items (average cost per item = \$4,475). TESCO pricing is for 76 items (average cost per item = \$4,741).

UNIT PRICING

Description	HOEKSTRA	TESCO
	Unit Price	Unit Price
Base Bus Floor Plans – Class One		
Class One - 26 Foot Bus – Vinyl Seat Covers		
24 passenger without lift	\$155,833.00	\$154,708.00
14+2 passenger with lift	\$172,693.00	\$171,568.00
10+3 passenger with lift	\$168,590.00	\$167,465.00
Class One- 26 Foot Bus – Fabric Seat Covers		

24 passenger without lift	\$156,377.00	\$155,252.00
14+2 passenger with lift	\$168,109.00	\$166,984.00
10+3 passenger with lift	\$168,998.00	\$167,873.00
Class One – 29 Foot Bus – Vinyl Seat Covers		
28 passenger without lift	\$162,207.00	\$161,082.00
18+2 passenger with lift	\$176,348.00	\$175,223.00
14+3 passenger with lift	\$176,783.00	\$175,658.00
10+4 passenger with lift	\$179,023.00	\$177,898.00
Class One- 29 Foot Bus – Fabric Seat Covers		
28 passenger without lift	\$162,842.00	\$161,717.00
18+2 passenger with lift	\$176,892.00	\$175,767.00
14+3 passenger with lift	\$172,244.00	\$171,119.00
10+4 passenger with lift	\$174,484.00	\$173,359.00
Class One – 32 Foot Bus – Vinyl Seat Covers		
32 passenger without lift	\$165,862.00	\$164,737.00
22+2 passenger with lift	\$175,972.00	\$174,847.00
18+3 passenger with lift	\$180,437.00	\$179,312.00
14+4 passenger with lift	\$182,677.00	\$181,552.00
Class One – 32 Foot Bus – Fabric Seat Covers		
32 passenger without lift	\$166,587.00	\$165,462.00
22+2 passenger with lift	\$176,607.00	\$175,482.00
18+3 passenger with lift	\$181,026.00	\$179,901.00
14+4 passenger with lift	\$183,266.00	\$182,141.00
Base Bus Floor Plans – Class Two		
Class Two - 26 Foot Bus – Vinyl Seat Covers		
24 passenger without lift	\$172,370.00	\$171,245.00
14+2 passenger with lift	\$187,822.00	\$186,697.00
10+3 passenger with lift	\$183,288.00	\$182,163.00
Class Two- 26 Foot Bus – Fabric Seat Covers		
24 passenger without lift	\$172,914.00	\$171,789.00
14+2 passenger with lift	\$183,238.00	\$182,113.00
10+3 passenger with lift	\$183,696.00	\$182,571.00
Class Two – 29 Foot Bus – Vinyl Seat Covers		
28 passenger without lift	\$176,025.00	\$174,900.00
18+2 passenger with lift	\$191,358.00	\$190,233.00
14+3 passenger with lift	\$191,979.00	\$190,854.00
10+4 passenger with lift	\$194,287.00	\$193,162.00
Class Two- 29 Foot Bus – Fabric Seat Covers		
28 passenger without lift	\$176,659.00	\$175,534.00
18+2 passenger with lift	\$191,902.00	\$190,777.00
14+3 passenger with lift	\$187,441.00	\$186,316.00
10+4 passenger with lift	\$189,748.00	\$188,623.00
Class Two- 32 Foot Bus – Vinyl Seat Covers		
32 passenger without lift	\$179,484.00	\$178,359.00
22+2 passenger with lift	\$189,898.00	\$188,773.00
18+3 passenger with lift	\$195,439.00	\$194,314.00
14+4 passenger with lift	\$197,747.00	\$196,622.00
Class Two- 32 Foot Bus – Fabric Seat Covers		
32 passenger without lift	\$180,210.00	\$179,085.00
22+2 passenger with lift	\$191,541.00	\$190,416.00
18+3 passenger with lift	\$196,029.00	\$194,904.00
14+4 passenger with lift	\$198,336.00	\$197,211.00
Equipment Options		
Air Conditioning, Split unit 26 foot	\$18,639.00	\$19,898.00
Air Conditioning, Split unit 29 foot	\$22,246.00	\$24,656.00
Air Conditioning, Split unit 32 foot	\$22,246.00	\$25,159.00
Rooftop AC with heat, 26 foot	\$23,827.00	\$25,021.00
Rooftop AC with heat, 29 foot	\$37,832.00	\$39,136.00
Rooftop AC with heat, 32 foot	\$37,832.00	\$39,640.00
Auxiliary Air Heater -Gas	\$5,630.00	\$5,328.00
Auxiliary Air Heater & Block Heater (in lieu of Aux Coolant Heater)	\$542.00	\$5,328.00

Destination Sign – Roller/Curtain	\$3,023.00	\$3,845.00
Destination Sign - LED	\$6,861.00	\$6,357.00
Donation box (in lieu of standard farebox – deduct)	-\$1,531.00	-\$1,045.00
Farebox Electrical Prep Only (less standard farebox- deduct)	-\$2,015.00	-\$1,862.00
Limited Slip Differential (Class I Only)	\$0.00	\$0.00
Limited Slip Differential (Class II Only)	\$907.00	\$1,083.00
Rear emergency exit window (deduct)	-\$1,703.00	-\$1,532.00
Paint - One stripe	\$3,239.00	\$3,038.00
Paint - Roof second color	\$3,023.00	\$3,642.00
Paint - Different Full body	\$9,863.00	\$9,561.00
Reflective Vinyl Belt Stripe	\$1,511.00	\$781.00
Lift – Type I 800# (in lieu of standard lift - deduct)	-\$504.00	-\$404.00
Lift – Type II – Powered outer barrier (in lieu of standard lift)	-\$91.00	-\$74.00
Lift - Folding Platform (in lieu of standard lift)	\$0.00	\$0.00
Alternate Standard Lift Manufacturer	\$0.00	\$0.00
Wheelchair Single Point Securement System (in lieu of one standard L-Track position)	\$605.00	\$186.00
Additional Wheelchair Position – L Track System	\$1,380.00	\$1,254.00
Wheelchair Platform Securement System	\$11,100.00	\$11,838.00
Additional Wheelchair Position – Single Point System	\$1,985.00	\$1,441.00
Two-way radio prep package	\$433.00	\$202.00
Radio - AM/FM stereo system w/ four speakers	\$544.00	\$141.00
Public Address (PA) System Only w/ two speakers	\$212.00	\$338.00
Radio – AM/FM/PA System w/ four speakers	\$504.00	\$569.00
Radio – Speaker only (additional)	\$20.00	\$20.00
Entrance Stepwell Heater	\$141.00	\$111.00
Electric Driveline Brake (Retarder)	\$12,548.00	\$12,653.00
Alternate Flooring Manufacturer	\$670.00	\$242.00
Rear Air Ride Suspension (Class One Only)	\$11,818.00	\$13,329.00
Seating – Rear five place passenger – Vinyl	\$1,813.00	\$1,688.00
Seating – Rear five place passenger - Fabric	\$1,813.00	\$1,738.00
Seating – Forward Facing Standard Double Seat - Vinyl	\$1,389.00	\$1,466.00
Seating – Forward Facing Standard Double Seat - Fabric	\$1,440.00	\$1,516.00
Seating – Forward Facing Standard Double Seat – Vinyl (Deduct)	-\$1,389.00	-\$1,245.00
Seating – Forward Facing Standard Double Seat – Fabric (Deduct)	-\$1,440.00	-\$1,288.00
Seating – Forward Facing Double Fold-A-Way - Vinyl	\$2,367.00	\$2,242.00
Seating – Forward Facing Double Fold-A-Way - Fabric	\$2,417.00	\$2,292.00
Seating – Forward Facing Double Fold-A-Way – Vinyl (Deduct)	-\$2,367.00	-\$1,904.00
Seating – Forward Facing Double Fold-A-Way –Fabric (Deduct)	-\$2,417.00	-\$1,947.00
Seating – Double Flip-up – Vinyl	\$1,923.00	\$1,899.00
Seating – Double Flip-up - Fabric	\$1,974.00	\$1,950.00
Seating – Double Flip-up – Vinyl (Deduct)	-\$1,924.00	-\$1,613.00
Seating – Double Flip-up – Fabric (Deduct)	-\$1,974.00	-\$1,656.00
Seating – Double w/Single Integrated Child Seat (ICS) - Vinyl	\$2,452.00	\$2,408.00
Seating – Double w/Single Integrated Child Seat (ICS) – Fabric	\$2,452.00	\$2,458.00
Seating – Double w/Single Integrated Child Seat (ICS) – Vinyl (Deduct)	-\$2,452.00	-\$2,046.00
Seating – Double w/Single Integrated Child Seat (ICS) – Fabric (Deduct)	-\$2,452.00	-\$2,090.00
Seating – Double w/Double Integrated Child Seat (ICS) - Vinyl	\$3,102.00	\$3,068.00
Seating – Double w/Double Integrated Child Seat (ICS) - Fabric	\$3,152.00	\$3,118.00
Driver’s Power Seat Base (Class One Only)	\$0.00	\$3,423.00
Alt. Engine – Gas (Class One Only) – Deduct	-\$13,557.00	-\$7,231.00
Alt. Engine - Bi-fuel Gas/Propane (Class One Only)	\$14,659.00	\$15,889.00
Alt. Engine – Propane (Class One Only)	\$29,066.00	\$29,188.00
Alt. Engine – CNG (Class One Only)	\$29,721.00	\$29,894.00
Stop Request System	\$1,018.00	\$932.00
Back-up Sensor System	\$610.00	\$509.00
Video Surveillance – Two Camera System	\$3,449.00	\$3,449.00
Video Surveillance - Four Camera System	\$4,268.00	\$4,117.00
Video Surveillance - Six Camera System	\$5,038.00	\$4,886.00
Video Surveillance - DVR System Upgrade	\$1,536.00	\$1,335.00

Video Surveillance – Extra Interior Cameras	\$389.00	\$389.00
Video Surveillance – Extra Exterior Cameras	\$389.00	\$373.00
Video Surveillance Preparation Package	\$0.00	\$504.00
Hydraulic Brakes in lieu of Air Brakes (Class II Only)	-\$665.00	-\$665.00
Spare Tire – Steer Axle	\$1,411.00	\$1,360.00
Spare Tire – Drive Axle	\$1,411.00	\$1,360.00
Entry Door Grab Handles	\$252.00	\$202.00
Wheelchair Lift Plexiglas Barriers	\$141.00	\$131.00
Back-up Camera System	\$0.00	\$0.00
Bike Rack	\$3,813.00	\$3,073.00
24 Inch Seat Belt Extensions	\$55.00	\$45.00
Class I Driver's Side Running Board	\$475.00	\$475.00

VII. Negotiations: Bidders with a passing technical score were asked to submit second round pricing. The awarded contracts will reflect estimated purchase quantities for 200 vehicles, which is reflected in the following savings costs:

TESCO lowered their base vehicle pricing by an average of \$1,125.00 per vehicle (0.64%): Potential Savings for 200 vehicles = 200 x \$1,125.00 = \$225,000. No other relevant pricing changes were submitted in second round pricing. **Hoekstra** increased their base vehicle pricing by an average of \$562.50 per vehicle (0.31%) due to Clarification and Notice of Deficiency adjustments: Potential increase for 200 vehicles = 200 x \$562.50 = \$112,500. No other relevant pricing changes were submitted in second round pricing.

VIII. Award Recommendation:

Award recommendation is made to the responsive and responsible Bidder who offers the best value to the State of Michigan. Best value is based on the proposal meeting the minimum point threshold and offering the best combination of the factors stated in the *Proposal Instructions Evaluation Process* section, and price.

Hoekstra and **TESCO** provide the best value to the State. Best value factors for Award Recommendation include:

1. Provides all 44 base vehicles.
2. Provides all key options.
3. Fully funded multi award provides the best bus availability for transit agencies.

The Buyer recommends that **Hoekstra** and **TESCO** be awarded a contract for Medium Class of Non-Lift and Lift Transit Buses. All purchasing Transit Agencies shall be fully funded by MDOT for Medium Class of Non-Lift and Lift Transit Buses included on this contract.

Funding for this contract shall be as follows:

*****Hoekstra** Award amount: \$55,489,282.00

*****TESCO** Award amount: \$56,457,265.00

***Award amounts are based on a 200-vehicle total with an average purchase of 30% of option costs per vehicle.