

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
15	12/13/10	Open	Action	12/08/10

Subject: Approving a Sole Source Procurement and Award a Contract to Alstom Transportation Inc. for the Purchase of Five CAF LRV Inverter Power Modules

ISSUE

Whether or not to Approve a Sole Source Procurement and Award a Contract to Alstom Transportation Inc. for the Purchase of Five (5) Inverter Power Modules at ~~\$50,323.32~~ 47,077.06 each.

RECOMMENDED ACTION

Adopt Resolution No. 10-12____, Approving a Sole Source Procurement and Award a Contract to Alstom Transportation Inc. for the Purchase of Five (5) Inverter Power Modules.

FISCAL IMPACT

Budgeted:	Yes	This FY:	
Budget Source:	Operating	Next FY:	\$251,616.60 235,385.30
Funding Source:	Federal, State & Local	Annualized:	
Cost Cntr/GL Acct(s) or Capital Project #:	GL 121000	Total Amount:	\$251,616.60 235,385.30
Total:	\$251,616.60 235,385.30*		

*The equipment purchased will first go to the capital asset inventory account, then expensed and budgeted in the year used (FY2012).

DISCUSSION

RT's standard practice has been to perform in-house repairs on the light rail vehicle (LRV) CAF propulsion inverter modules. At this point, a number of the modules are beyond the Light Rail Maintenance Department's ability to make repairs due to the limited information and/or materials provided by Alstom Transportation Inc.'s (Alstom) proprietary position and therefore require the purchase of new inverter modules. The lead time is ~~60~~ 67 weeks and although three (3) are needed for immediate installation, it is likely all five (5) may be needed by the end of FY 2012.

The propulsion inverter power module is part of the existing, original equipment manufactured by Alstom. This equipment is required for the LRV to operate and must be compatible with the existing CAF propulsion system. Alstom manufactures and owns the design rights, all tooling and drawings required for the propulsion system.

Staff has researched the market and found that no other companies manufacture modules that are compatible with RT's existing equipment. The cost to reverse engineer the modules on a

Presented:

REVISED FINAL 12/8/10

General Manager/CEO

Director, Procurement Services

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Subject: Approving a Sole Source Procurement and Award a Contract to Alstom Transportation Inc. for the Purchase of Three CAF LRV Inverter Power Modules
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performance critical system is prohibitive. Additionally, staff has researched the market and determined the price to be fair and reasonable.

Procurement Services has undertaken the proposed procurement pursuant to Section 1.405 Subparagraph B of the District’s Procurement Ordinance. Due to the non-availability of these parts from domestic sources, staff will seek the required Buy America waiver from the Federal Transit Administration.

Therefore, staff requests that the Board make the finding that because no other manufacturer produces modules that are compatible with RT’s CAF vehicles, it would be futile to seek competition; and therefore approve a sole source procurement of modules from Alstom, and authorize award of a contract to Alstom in the amount of ~~\$251,616.60~~ 235,385.30, plus applicable sales tax, contingent upon receipt of a Buy America waiver.

RESOLUTION NO. 10-12-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 13, 2010

**APPROVING A SOLE SOURCE PROCUREMENT AND AWARD A CONTRACT TO
ALSTOM TRANSPORTATION INC. FOR THE PURCHASE OF FIVE INVERTER
POWER MODULES**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, in accordance with Section 1.405 of the RT Procurement Ordinance, a sole source procurement is permitted, upon a determination that the required product is only available from the manufacturer and it would be futile to seek competition.

THAT, only Alstom Transportation Inc. manufactures CAF inverter power modules that are compatible for use with the existing CAF propulsion system used by Regional Transit and therefore it would be futile for Regional Transit to seek competitive bids for that equipment as otherwise is required under Public Utilities Code Section 102222.

THAT, the Contract between Sacramento Regional Transit District, therein referred to as "RT," and Alstom Transportation Inc., therein referred to as "Contractor," whereby Contractor agrees to provide CAF inverter power modules, as specified for an amount not to exceed ~~\$251,616.60~~ 235,385.30, plus applicable sales tax, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute said Contract upon Federal Transit Administration approval of a Buy America waiver.

STEVE MILLER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary