# REGIONAL TRANSIT **ISSUE PAPER**

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Agenda	Board Meeting	Open/Closed	Information/Action	Issue
Item No.	Date	Session	Item	Date
2	09/27/10	Open	Action	09/15/10

Subject: Awarding a Contract for Radio System Maintenance and Repair Services to Delta Wireless, Inc.

#### **ISSUE**

Whether or not to award a Contract for Radio System Maintenance and Repair Services to Delta Wireless, Inc.

#### **RECOMMENDED ACTION**

Adopt Resolution No. 10-09-\_\_\_\_, Awarding a Contract for Radio System Maintenance and Repair Services to Delta Wireless, Inc.

#### FISCAL IMPACT

Budgeted:	Yes	This FY11:	\$67,000
Budget Source:	Operating	Next FY12:	\$100,000
Funding Source:	Federal, Local	Annualized:	\$100,000
Cost Cntr/	34	Total Amount:	\$500,000
GL Acct(s):	630026		
Total Budget:	\$500,000		

#### DISCUSSION

On July 10, 2010, the Board authorized the release of an Invitation to Bid (ITB) for Radio System Maintenance and Repair Services. Staff released the ITB on July 29, 2010 and advertised in publications of general circulation pursuant to the provisions of the Procurement Ordinance. A pre-bid meeting was held on August 10<sup>th</sup>, and Addendum No. 1 was released on August 18<sup>th</sup>. On August 27, 2010, RT received three bids with prices as follows:

<u>Contractor</u>	<u>Bid Amount</u>
BearCom Wireless	\$588,490.56
ComTech Communications, Inc.	\$510,901.82
Delta Wireless, Inc.	\$386,764.92

During review of the bids, staff discovered that BearCom's Bid Form 8.2 contained an omission of bid unit prices on Bid Items 3, 5, 7 and 9. BearCom's omission of those bid unit prices is a material irregularity and therefore, BearCom's bid was deemed as non-responsive and had to be rejected.

The maintenance and repair services agreement will cover a 5-year term and will require the Contractor to provide parts and labor to repair and maintain RT's entire Motorola Radio System.

Approved:
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Presented:

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Subject: Awarding a Contract for Radio System Maintenance and Repair Services to Delta Wireless, Inc.

This includes all radios, dispatch consoles, central electronics bank, UPS Systems, antennas, wiring and associated equipment. All parts required to repair RT's equipment will be itemized by quantity and part number.

The bid amounts shown in the Bid Form are for maintenance service only and do not include the additional cost of parts and labor for repairs. Since system failures cannot be accurately predicted, the exact cost of repair parts and additional labor is unknown. Additionally, the removal and installation of equipment is of indefinite quantities. Staff estimates that approximately \$23,000 per year over the course of the 5-year term of the contract may be needed to cover additional expenditures of parts and "as required" services for mobile and non-mobile equipment; therefore, staff recommends that the contract include an additional \$113,235.08 in funding above the \$386,764.92 bid for maintenance service to cover the cost of labor and parts for repair services, for a total contract amount of \$500,000.

Pursuant to the revised Disadvantaged Business Enterprise (DBE) regulation in 49 CFR Part 26 and RT's revised DBE Program, no DBE participation goal was established for this project. Additionally, the services to be provided under this contract will be completed by the Contractor's personnel and does not present any subcontracting opportunities. Additionally, although there was no SBE goal set for the project, Delta Wireless, Inc. is a certified SBE with the State of California Department of General Services; therefore, 100% SBE participation is achieved on this contract.

The low bid price of \$386,764.92 compares favorably with the price of the existing contract for Radio System Maintenance Services and falls within the budget established by staff. The price was found fair and reasonable.

Staff recommends the Board award a 5-year Contract for Radio System Maintenance and Repair Services to Delta Wireless, Inc. for an amount not to exceed \$500,000.

RESOLUTION NO. 10-09-\_\_\_\_

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

### <u>September 27, 2010</u>

### AWARDING A CONTRACT FOR RADIO SYSTEM MAINTENANCE AND REPAIR SERVICES TO DELTA WIRELESS, INC.

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

THAT, the Contract between the Sacramento Regional Transit District, therein referred to as "RT," and Delta Wireless, Inc. therein referred to as "Contractor," whereby Contractor agrees to provide radio system maintenance and repair services, as specified, for an amount not to exceed \$500,000, plus applicable state and local sales tax, for a 5-year term, is hereby approved.

THAT, the Chair and General Manager/CEO are hereby authorized and directed to execute said Contract.

STEVE MILLER, Chair

ATTEST:

MICHAEL R. WILEY, Secretary

By:

Cindy Brooks, Assistant Secretary