

# REGIONAL TRANSIT ISSUE PAPER

| Agenda Item No. | Board Meeting Date | Open/Closed Session | Information/Action Item | Issue Date |
|-----------------|--------------------|---------------------|-------------------------|------------|
| 3               | 12/10/12           | Open                | Action                  | 11/26/12   |

Subject: Awarding a Contract for UTDC Light Rail Vehicle Contactor Overhaul to Precision Tech Welding & Machine, Inc.

## ISSUE

Whether or not to Award a Contract for UTDC Light Rail Vehicle Contactor Overhaul to Precision Tech Welding & Machine, Inc.

## RECOMMENDED ACTION

Adopt Resolution No. 12-12-\_\_\_\_, Awarding a Contract for UTDC Light Rail Vehicle Contactor Overhaul to Precision Tech Welding & Machine, Inc.

## FISCAL IMPACT

Budgeted: Yes Annual: \$237,096.37, plus applicable sales tax per year over the next 3 years

Budget Source: Capital  
Funding Source: Federal (ARRA) State (Prop 1B)  
Cost Cntr/GL Acct(s) or WBS: R085.07.09.03  
Capital Project #: GL: 910800  
Total Budget: \$711,289.11

American Recovery and Reinvestment Act (ARRA) of 2009: \$237,096.37  
Awarded Prop 1B: \$474,192.74  
Total Contract Amount: \$711,289.11 Plus applicable sales tax

## DISCUSSION

Under Resolution Number 12-07-0110 dated July 23, 2012, the RT Board authorized the solicitation of bids for the overhaul of the UTDC light rail vehicle contactors. The contactors are high voltage electrical components that are part of the propulsion control system on the light rail vehicle and are used for switching power to the traction motors. The contactor starts and stops thousands of times during the operating life of the vehicle. A faulty contactor can cause major problems; therefore, these components need to be overhauled as part of the project to refurbish 21 UTDC light rail vehicles (UTDC Project). The Contractor will overhaul 21 Brown Boveri Company (BBC)/Secheron power control unit contactor sets. The work includes performing the inspection, disassembly, cleaning, re-assembly, and testing of the contactors.

An Invitation to Bid (ITB) document was released on September 5, 2012 and sent to 11 qualified sources. This solicitation was advertised in publications of general circulation (as per RT GM-SOP-97-0096) and posted on RT's website under Contracting Opportunities. On October 30,

Approved:

Presented:

Final 12/03/12

General Manager/CEO

Maintenance Superintendent - Light Rail

| Agenda Item No. | Board Meeting Date | Open/Closed Session | Information/Action Item | Issue Date |
|-----------------|--------------------|---------------------|-------------------------|------------|
| 3               | 12/10/12           | Open                | Action                  | 11/26/12   |

Subject: Awarding a Contract for UTDC Light Rail Vehicle Contactor Overhaul to Precision Tech Welding & Machine, Inc.

2012, RT received two bids from: Eagle Valley Industries, LLC (Eagle Valley), and Precision Tech Welding & Machine, Inc. (Precision Tech). After a thorough review of the bids, staff determined that the bid from Eagle Valley contained a material irregularity and was non-responsive for failure to submit qualifications as required in Section 1.2, Responsible Bidder, of the ITB.

In accordance with RT’s Standard Operating Procedure GM-SOP-97-009, Section XI, Rejection of Bids or Proposals/Waiver of Irregularities, and RT’s Procurement Ordinance Section 1.509, Rejection of Bids/Proposals; Waiver of Minor Irregularities, staff reviewed the bid irregularity with RT’s Chief Counsel and determined that Eagle Valley’s failure to submit qualifications with its bid is a material irregularity that cannot be waived; therefore, Eagle Valley’s bid was deemed non-responsive. Eagle Valley bid \$1,139,670.00. That left Precision Tech as the only responsive bidder and its bid was:

|                |                        |
|----------------|------------------------|
| <u>Bidder:</u> | <u>Total Bid Price</u> |
| Precision Tech | \$711,289.11           |

The Engineer’s estimate for the contactor overhaul is \$905,499.

The bid submitted by Precision Tech is the lowest responsive and responsible bidder. Precision’s bid price is 21 percent lower than the Engineers estimate and is deemed to be fair and reasonable.

Pursuant to the revised Disadvantaged Business Enterprise (DBE) regulations in 49 C.F.R. Part 26 and RT’s DBE Program, because there were limited subcontracting opportunities, no DBE participation goal was set for this procurement.

Staff recommends award of the Contract for UTDC Light Rail Vehicle Contactor Overhaul Services to Precision Tech Welding & Machine, Inc., in the amount of \$711,289.11, plus applicable sales tax.

RESOLUTION NO. 12-12-\_\_\_\_\_

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

December 10, 2012

**AWARDING A CONTRACT FOR UTDC LIGHT RAIL VEHICLE CONTACTOR  
OVERHAUL TO PRECISION TECH WELDING & MACHINE, INC.**

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

THAT, the Contract for UTDC Light Rail Vehicle Contactor Overhaul between Sacramento Regional Transit District, therein referred to as "RT," and Precision Tech Welding & Machine, Inc., therein referred to as "Contractor," whereby Contractor agrees to provide UTDC Light Rail Vehicle Contactor Overhaul parts and services, as specified, for an amount not to exceed \$711,289.11, plus applicable sales tax, is hereby approved.

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

\_\_\_\_\_  
BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary