

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	08/11/14	Open	Action	07/21/14

Subject: Awarding a Contract to Midwest Bus Corporation for the Purchase of 3-Position Bike Racks

ISSUE

Whether or not to award a contract to Midwest Bus Corporation for the purchase of 3-position bike racks.

RECOMMENDED ACTION

Adopt Resolution No. 14-08-____, Awarding a Contract to Midwest Bus Corporation for the Purchase of 3-Position Bike Racks.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	111,100.00
Budget Source:	Capital			
Funding Source:	State/Federal			
Cost Cntr/GL Acct(s) or Capital Project #:	WBS: F014.07.01	Total Amount:	\$	111,100.00
Total Budget:	\$ 111,100.00			

DISCUSSION

On November 11, 2013, the Board adopted a revised Procurement Ordinance (Ordinance) which amended and restated Chapters 1 and 2 of Title 1 of RT's Administrative Code. The Ordinance was effective on January 1, 2014. Per Section 1.301, Approval of Solicitations, if an Invitation to Bid (ITB) or Request for Proposal (RFP) relates to a capital project included in Tier 0 or Tier 1 of the current Board-approved Capital Improvement Plan, the ITB or RFP may be released by the General Manager. Any resulting Contract for such a capital project must receive Board approval for award.

Staff released the ITB for the procurement of 3-position bike racks on June 3, 2014, and the solicitation was advertised in publications of general circulation and posted on RT's website under Career and Business Opportunities. Pursuant to RT's Disadvantaged Business Enterprise (DBE) Program, no participation goal was established for this solicitation. Further, because the contract offered no subcontracting opportunities, RT did not establish a Small Business Enterprise (SBE) goal. RT staff issued a Letter of Clarification and Response to an Approved Equal Request on June 13, 2013. Addendum No. 1 and a second Letter of Clarification were issued by RT on June 24, 2014. On July 8, 2014, RT received two bids in response; one from Midwest Bus Corporation and one from Sportworks Northwest, Inc. After the public bid opening, Midwest Bus Corporation was deemed to be the apparent low bidder.

Approved:

Presented:

Final 07/31/14

General Manager/CEO

David Harbour, Director, Bus Maintenance

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During review of the bids, staff discovered that the bid from Sportworks Northwest, Inc., contained irregularities. Sportworks Northwest, Inc., did not sign the Bid Pricing Form, Bid Form 7.2. 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 consulted with RT's Chief Counsel on the irregularities in Sportworks Northwest, Inc.'s bid. Counsel concurred with staff's determination that Sportworks Northwest, Inc.'s failure to sign the Bid Pricing Form, Bid Form 7.2, is a material irregularity and therefore its bid is deemed to be non-responsive and is rejected.

Procurement staff determined that the price for this contract is fair and reasonable, under the current market conditions. The Independent Cost Estimate (ICE) provided by Bus Maintenance staff was \$600 per bike rack based on an estimate obtained from Midwest Bus Corporation in February 2014. The bid submitted by Midwest Bus Corporation is less than the ICE at \$505 per bike rack, which reflects a savings of \$95 per bike rack for a total of \$2,090.

Per the contract, all 3-position bike racks must be delivered to RT within 60 days of NTP. Upon receipt, the Bus Maintenance department will begin installing the new bike racks throughout the entire fleet, with the anticipation of the entire transition/installation taking approximately 60 days.

Staff recommends the Board award a contract for the purchase of 3-position bike racks to the lowest responsive and responsible bidder, Midwest Bus Corporation, for an amount not-to-exceed \$111,100.00.

RESOLUTION NO. 14-08-_____

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

August 11, 2014

**AWARDING A CONTRACT TO MIDWEST BUS CORPORATION FOR THE
PURCHASE OF 3-POSITION BIKE RACKS**

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

THAT, the Contract between Sacramento Regional Transit District, therein referred to as "RT," and Midwest Bus Corporation, therein referred to as "Contractor," whereby Contractor agrees to provide 3-position bike racks, as specified, for an amount not-to-exceed \$111,100.00, is hereby approved.

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

PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary