

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	06/09/14	Open	Action	05/27/14

Subject: Awarding Contract for Fare Vending Machine Procurement for South Sacramento Corridor Phase 2

ISSUE

Whether or not to Award Contract for Fare Vending Machine Procurement for South Sacramento Corridor Phase 2.

RECOMMENDED ACTION

Adopt Resolution No. 14-06-_____, Awarding Contract for Fare Vending Machine Procurement for South Sacramento Corridor Phase 2 to Scheidt & Bachmann USA, Inc.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	0.00
Budget Source:	Capital	Next FY:	\$	534,482.00*
Funding Source:	New Starts, Rev. Bonds, Measure A, Annualized: Prop 1B, Developer Fees		\$	N/A
Cost Cntr/GL Acct(s) or Capital Project #:	410.07.05.01.01 Fare Vending Machines, 410.07.05.01.03 Fare Vending Machines Tax,	Total Amount:	\$	534,482.00*
Total Budget:	\$ 534,482.00			

*The budget includes 8.5% CA Sales Tax.

Bid Price:	\$ 492,610.00 (excluded from Sales Tax)
Sales Tax:	\$ 41,872.00 (to be paid directly by RT to Board of Equalization)
Total Cost:	\$ 534,482.00

DISCUSSION

On August 27, 2012, the Board adopted Resolution No. 12-08-0135, authorizing the General Manager/CEO to release Bid Documents for certain owner-furnished materials for the South Sacramento Corridor Phase 2 (SSCP2) Project, including Fare Vending Machines (FVMs). The Request for Proposals for procurement of 10 FVMs was released on March 4, 2014 and advertised pursuant to the Procurement Ordinance.

On April 1, 2014, the following bid was received:

Scheidt & Bachmann USA, Inc. \$ 492,610.00

Approved:

Presented:

Final 06/03/14

General Manager/CEO

Director, Civil and Track Design

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The Engineer’s Estimate, including contingency, was \$604,000.00.

Adequate Competition

As only one responsive proposal was received, RT is required to determine that there was adequate competition for this procurement and perform a price analysis to determine that the price is fair and reasonable in accordance with the Federal Transit Administration (FTA) Third Party Contracting Circular 4220.1F.

On March 4, 2014, Sacramento Regional Transit District (RT) released the Request for Proposal (RFP) for the subject project. The project was advertised on RT’s website on March 4, 2014 and remained on the website until proposal due date. The project was also advertised in “The Daily Recorder, The Sacramento Gazette, The Observer, El Hispano, and Nichi Bei,” all newspapers of general circulation.

The Public Notice was faxed to the 5 firms that RT is aware of that manufacture FVMs. These 5 firms are; (1) Cubic Transportation Systems; (2) IBI Group; (3) Scheidt & Bachmann USA, Inc.; (4) Schlumberger Technologies; and (5) Xerox. Of these 5 firms, only 3 firms requested the solicitation documents and they were: (1) Cubic Transportation Systems; (2) Scheidt & Bachmann USA, Inc.; and (3) Xerox.

RT contacted both Cubic Transportation Systems and Xerox to inquire why neither company provided a cost proposal. Cubic Transportation Systems stated they did not provide a proposal because they could not be cost competitive in developing software for only 10 FVMs. Xerox stated they did not provide a proposal because they had personnel changes and the request for proposal was misplaced and by the time they realized what had happened, it was too late to put a proposal together. Xerox did not contact RT to request additional time.

The specifications required the new FVM monitoring and transaction reporting functions to be fully integrated with the existing Scheidt & Bachmann FVM system. The specifications allowed the Contractor to either design the FVMs to conform to the data specifications of the existing Central Data Collection System (CDCS) or to supply a dedicated back office system for the new FVMs that would merge data with the CDCS database to provide one output file/database. The technical requirements allowed for any vendor to provide proposals.

Price Analysis

To perform the required price analysis, RT evaluated the last contract between RT and Scheidt & Bachmann in 2011. In 2011, RT purchased new FVMs for \$39,500 each. The price in 2011 was determined to be fair and reasonable by comparing to the previous FVM procurement price in 2001 and by comparing the price to a recent procurement by Utah Transit Agency. In 2001, RT competitively obtained the original model of this machine for \$31,252. The FVM procured in 2011

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has the latest technology and an integrated air conditioner to eliminate system shut down on hot days. The 26% cost increase over the 10-year period, along with application of newer technology and the addition of integrated air conditioning, was determined to be fair and reasonable. In this procurement the price for each new FVM is \$44,480. Based on price index over the last 4 years since the last purchase, the cost appears to be fair and reasonable. In addition, the proposed estimate from Scheidt & Bachmann is lower than the Engineer’s Estimate, which was based on previous procurements, including contingency.

Staff recommends that the Board award a Contract for Fare Vending Machine Procurement for South Sacramento Corridor Phase 2 to the single responsive and responsible proposer, Scheidt & Bachmann USA, Inc. for an amount not to exceed \$492,610.00, plus applicable sales tax.

RESOLUTION NO. 14-06-_____

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

June 9, 2014

**AWARDING CONTRACT FOR FARE VENDING MACHINE PROCUREMENT FOR
SOUTH SACRAMENTO CORRIDOR PHASE 2 TO SCHEIDT & BACHMANN USA,
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 Scheidt & Bachmann USA, Inc., therein referred to as "Contractor," whereby Contractor agrees to provide Fare Vending Machines for the South Sacramento Corridor Phase 2 Project, as further specified therein, for an amount not to exceed \$492,610.00 plus applicable state and local sales taxes is hereby approved.

PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary