

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
5	10/12/15	Open	Action	10/01/15

Subject: Authorizing the Release of an Invitation to Bid for the Purchase of Light Rail Vehicle Tire Kits and Delegate Authority to the General Manager/CEO to Award a Contract.

ISSUE

Authorizing the Release of an Invitation to Bid for the Purchase of Light Rail Vehicle Tire Kits and Delegate Authority to the General Manager/CEO to Award a Contract.

RECOMMENDED ACTION

Resolution No. 15-10-_____, Authorizing the Release of an Invitation to Bid for the Purchase of Light Rail Vehicle Tire Kits and Delegating Authority to the General Manager/CEO to Award a Contract.

FISCAL IMPACT

Budgeted: Yes This FY:
Budget Source: Operating Next FY:
Funding Source: Federal and Local Annualized:
Cost Cntr/GL Acct(s) or GL# 121000 Cost Center 35 Total Amount:
Capital Project #:
Total Budget: \$

There is no fiscal impact as a result of this action.

DISCUSSION

On February 9, 2015, the RT Board of Directors awarded a Contract for the purchase of 116 light rail vehicle (LRV) tire kits for use on RT's Siemens and CAF LRV fleets. The LRV tire kits are a standard inventory item and consist of a tire, rubber blocks, electrical shunts and hardware. The Contract with the lowest responsible bidder, Siemens Industry, Inc. (Siemens), was executed on February 24, 2015 and an order acknowledgement was issued by Siemens to RT dated March 2, 2015. Siemens subcontractor supplier, Penn Machine Company, has faced delays in obtaining raw materials that has resulted in longer than normal lead times to produce and ship the tire kits. The tire kits currently have a 10 month lead time.

Because RT's maintenance facility expects to use all 116 tire kits within the next few months, an order for 120 more tire kits, with an option for an additional 144, needs to be placed as soon as possible; however, competitive bidding must be completed first. Staff intends to expedite the competitive bidding by releasing the Invitation to Bid (ITB) on October 13, 2015 with bids due two weeks later, as minimally required under RT's Procurement Ordinance.

Approved:

Presented:

Final 10/06/15

General Manager/CEO

Materials Management Superintendent

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
	10/12/15	Open	Action	10/01/15

Subject: Approving the First Amendment to the Contract for Purchase of Light Rail Tire Kits with Siemens Industry, Inc.

LRV steel tires have a life cycle based on the amount of miles run on each tire. When a tire reaches the end of its life cycle, it can no longer be used for safety reasons, much like a rubber automobile tire. The manufacturing delays for the 116 tire kits has resulted in 3 LRV's currently out of service and has negatively impacted operations. For these reasons, time is of the essence to get a new order placed for tire kits.

To expedite award of the contract, staff requests the Board delegate authority for the General Manager/CEO to award the contract once the lowest responsive and responsible bidder is determined from the bids received at the conclusion of the bid period; otherwise, award will not occur until the November Board meeting. A sealed low bid procurement for LRV tire kits will result in a firm fixed price contract and the selection of the successful bidder is made principally on the basis of price.

Staff recommends the Board authorize the General Manager/CEO to release the Invitation to Bid for the purchase of light rail vehicle tire kits and delegating authority to the General Manager/CEO to award a contract to the lowest priced responsive and responsible Bidder.

RESOLUTION NO. 15-10-_____

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

October 12, 2015

**AUTHORIZING THE RELEASE OF AN INVITATION TO BID FOR THE PURCHASE
OF LIGHT RAIL VEHICLE TIRE KITS AND DELEGATE AUTHORITY TO THE
GENERAL MANAGER/CEO TO AWARD A CONTRACT**

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

THAT, the Invitation to Bid document for the Purchase of Light Rail Vehicle Tire Kits
is approved and authorized for release.

THAT, the Invitation to Bid be advertised pursuant to the provisions of the RT
Procurement Ordinance.

THAT, the Board hereby delegates authority to the General Manager/CEO to award
and execute a Contract for Light Rail Vehicle Tire Kits to the lowest priced responsive and
responsible Bidder.

JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary