

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
2	04/24/17	Open	Action	04/18/17

Subject: Authorize Request for Proposals for Streetcar Vehicle Procurement

## ISSUE

Whether or not to authorize Request for Proposals for the Streetcar Vehicle Procurement.

## RECOMMENDED ACTION

Adopt Resolution No. 17-04-\_\_\_\_, Authorizing Request for Proposals for Streetcar Vehicle Procurement.

## FISCAL IMPACT

The above action does not involve the expenditure of funds. The contract award, which will involve the expenditure of funds, will be presented to the Board as a future action. The vehicle procurement contract will not be executed unless and until a Small Starts Grant Agreement is received for the Project.

## DISCUSSION

The Downtown/Riverfront Streetcar project is a 5.2-mile initial line that will extend from the West Sacramento Civic Center to the Midtown entertainment and retail district in the City of Sacramento. The project is owned by the cities of West Sacramento and Sacramento. The Sacramento Area Council of Governments (SACOG) has been acting as the project lead through the environmental process. The intent is that RT will be responsible for managing the design and construction of the streetcar project on behalf of the Joint Powers Authority formed by the two cities. Agreements are currently in place to reimburse RT for some design phase activities. The line will operate with modern double-articulated streetcars, and must be built within a maximum Small Starts budget of \$200 million.

As part of the Downtown/Riverfront Streetcar Project, the procurement of streetcar vehicles has been identified as a “long lead” item and is on the Project’s critical path. To maintain the current schedule, the streetcar vehicle procurement process should start now.

The Streetcar Project Management Team (PMT) consists of SACOG, the cities of Sacramento and West Sacramento and RT. RT was asked to administer and manage the streetcar vehicle procurement contract on behalf of the PMT. The PMT considered several options for the procurement of streetcar vehicles, including exercising options on the Cincinnati contract and/or working with other agencies (Orange County and Tempe) in a joint procurement. RT had dialogues with all three agencies and explored whether or not working with each agency would be mutually beneficial.

After considering the different options, and comparing the streetcar procurement and project

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Approved:

Presented:

Final 04/19/17

General Manager/CEO

Director, Civil and Track Design

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schedule to the schedules and procurement status of the other three agencies, the PMT determined the most effective path forward is an individual procurement.

The RFP and technical specifications allow the length of the vehicles to be between 65’ and 82’. All vehicles will have a low floor section, which is the area where most passengers will board and where standees gather. The vehicle specification defines the minimum percentage of low-floor area in the vehicle to be 50%, but allows for a manufacturer to propose vehicles with up to 100% low floor. The range in vehicle length and percentage of low-floor area allows the broadest range of vehicle manufacturers to make a proposal in response to the solicitation.

RT, working on behalf of the PMT, coordinated with LTK Engineering Services, as a subconsultant to its General Engineering Support Services contractor, Psomas, to finalize the vehicle technical specifications and develop request for proposal documentation for procurement of six streetcar vehicles.

The procurement methodology for the vehicle procurement will be “lowest price technically acceptable”, which means offers between technically acceptable proposals will be compared and the lowest price offer will be accepted, even if another proposal may appear technically superior. In this procurement methodology, the technical elements are not ranked or numerically scored, but instead determined to be “acceptable”, “minor technical deficiency” or “materially technically deficient.”

The proposal validity period will be 180 days following submission of the proposal; during the Proposal validity period, RT may engage in negotiations with all proposers who are in the competitive range (those that have submitted an initial offer that is technically acceptable or that RT determines can be made technically acceptable through negotiations), after which RT may request a Best and Final Offer (BAFO). The RFP will specify that the price offered in the BAFO must be valid 180 days following the BAFO submission. The proposer should provide sufficient time to have funding in place prior to contract award.

The proposal timeline and milestones are derived from the current Streetcar Project Schedule. RT Board award of the contract will not happen unless and until a Small Starts Grant Agreement is received, which is anticipated in the first quarter of calendar year 2018.

The estimated cost is \$5.5 million per vehicle (\$33 million for six vehicles) plus an allowance of \$2 million for spare parts. Therefore the total estimated contract price for the procurement of all six base vehicles is \$35 million. The RFP will include options for the acquisition of an additional three vehicles.

Staff recommends authorization to release and advertise the Request for Proposal for streetcar vehicle procurement.

RESOLUTION NO. 17-04-\_\_\_\_\_

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

April 24, 2017

**AUTHORIZING REQUEST FOR PROPOSALS FOR STREETCAR VEHICLE  
PROCUREMENT**

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

THAT, the Request for Proposal Streetcar Vehicle Procurement is hereby approved  
and authorized for release.

THAT, the Request for Proposal for Streetcar Vehicle Procurement be released and  
advertised pursuant to the provisions of the RT Procurement Ordinance.

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ANDREW J. MORIN, Chair

A T T E S T:

HENRY LI, Secretary

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