

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	1/9/17	Open	Action	12/15/16

Subject: Approving Contract Change Order No. 4 to the Contract for UTDC Light Rail Vehicle Refurbishment with Siemens Industry, Inc.

ISSUE

Whether or not to approve Contract Change Order No. 4 to the Contract for UTDC Light Rail Vehicle Refurbishment with Siemens Industry, Inc.

RECOMMENDED ACTION

Adopt Resolution No 17-01-____, Approving Contract Change Order No. 4 to the Contract for UTDC Light Rail Vehicle Refurbishment with Siemens Industry, Inc.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	551,856.36
Budget Source:	Capital	Next FY:	\$	0
Funding Source:	State TIRCP & State PTMISEA/Developer Fees	Annualized:	\$	N/A
Cost Cntr/GL Acct(s) or Capital Project #:	UTDC R085.07.01.01 - \$345,676.58 UTDC R086.08.01.01 - \$206,179.78	Total Amount:	\$	551,856.36
Total Budget:	\$33,633,061			

DISCUSSION

On June 11, 2012, the RT Board approved the award of a Contract to Siemens Industry Inc. to refurbish 21 UTDC Light Rail Vehicles (LRVs).

For certain elements to be refurbished (exterior body and floor repair), the required extent of the needed refurbishment was unknown at the time the parties entered into the Contract. Assumptions were included in the Contract that 10% of the floor area would need to be replaced and that an aggregate 10% of the exterior body area would require repairs. To account for the possibility of additional repair work, unit prices were included in the Contract for additional 2 foot by 2 foot areas of floor and exterior body work. The total additional cost for the LRV body work for the 21 LRVs is \$224,147.00. However, the floor area repair was less than anticipated, so RT is receiving a credit of \$9,235.00.

In addition, during the refurbishment of the LRVs, both Siemens Industry and RT identified additional modifications and repairs that were not part of the original scope of work. Pursuant to the terms of the Contract, RT directed Siemens to perform this work, with the price to be agreed upon at a later time. Staff has now reached agreement with Siemens on the compensation for the additional work.

Approved:

Presented:

Final 01/04/17

General Manager/CEO

VP, Transit Services / Chief Operating Officer

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Modifications and unplanned repairs for all 21 LRVs included:

- (1) HVAC frames were highly corroded, repair cost was \$127,775.92;
- (2) Software modification to the communication system to add an announcement for the cost of \$12,062.33;
- (3) A repair due to corrosion to the drive couplings for \$18,800.68;
- (4) Addition of reflective striping to the exterior of each LRV for \$17,155.30;
- (5) Addition of stainless steel fasteners to the HVAC units to avoid future corrosion for \$18,081.66;
- (6) Addition of a speed sensor to include a new monitoring function to the event recorder for \$8,313.39;
- (7) Upgrade to the key switch to match a VTA modification for \$6,940.28;
- (8) Addition of rubber bumpers to the elderly and handicapped ramps for \$4,655.20; and
- (9) Modifications of the truck brake beams to add a new style bushing for \$12,944.77.

Additional work for individual LRVs included:

- (1) Additional roof repairs found during reassembly and tire replacement for LRV 16 for \$9,538.57;
- (2) Additional roof repair caused by a pantograph for LRV 19 for \$17,010.00;
- (3) Additional repairs for LRV 14 for \$9,490.27;

In addition, RT requested that Siemens overhaul spare power trucks to provide float trucks supporting the refurbishment program. The cost for this was for \$87,344.32 which is the Contract bid price.

There are credits provided to RT for the following tasks:

- (1) Repair of a Traction Motor was damaged due to an assembly error by Siemens for a credit of \$8,889.75;
- (2) Siemens agreed to credit RT \$3,356.73 for travel expenses for RT personnel to travel to Penn Machine in Pennsylvania to perform a First Article Inspection for the axles assembly due to a change of location for the overhaul from Siemens' Sacramento location to Penn Machine and;
- (3) \$921.76 for freight costs related to the relocation of the work.

The total aggregate cost for all additional work is \$551,856.36.

RT Maintenance staff reviewed all additional work and found it to be necessary for the LRVs to operate on RT's system.

The price of \$551,856.36 compares favorably with the Independent Cost Estimate (ICE) established by Staff and current and past contract rates. After conducting a price analysis, staff has determined the cost of the additional work is fair and reasonable.

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Staff recommends the Board approve Contract Change Order No. 4 to the Contract for UTDC Light Rail Vehicle Refurbishment with Siemens Industry, Inc. for the amount of \$551,856.36, plus sales tax attributable to the changed work.

RESOLUTION NO. 17-01-_____

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

January 9, 2017

**APPROVING CONTRACT CHANGE ORDER NO. 4 TO CONTRACT FOR UTDC
LIGHT RAIL VEHICLE REFURBISHMENT WITH SIEMENS INDUSTRY, INC.**

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

THAT, the Contract Change Order No. 4 to the Contract for UTDC Light Rail Vehicle Refurbishment between the Sacramento Regional Transit District, therein referred to as "RT," and Siemens Industry, Inc., therein referred to as "Contractor," whereby the total consideration is increased by \$551,856.36, from \$20,117,997.10 to \$20,669,853.46, plus sales tax attributable to the changed work, to address additions and deletions that occurred during the course of the work, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute Contract Change Order No. 4.

JAY SCHENIRER, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary