

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	06/11/18	Open	Action	05/31/18

Subject: Approving a Sole Source Procurement and Approving the First Amendment to the Contract for Siemens Light Rail Vehicle Body Wraps with Vehicle Wraps, Inc.

## ISSUE

Whether or not to approve a Sole Source procurement and the First Amendment to the Contract for Siemens Light Rail Vehicle Vinyl Body Wraps with Vehicle Wraps, Inc.

## RECOMMENDED ACTION

Adopt Resolution No. 18-06-\_\_\_\_\_, Approving a Sole Source Procurement and Approving the First Amendment to the Contract for Siemens Light Rail Vehicle Vinyl Body Wraps with Vehicle Wraps, Inc.

## FISCAL IMPACT

Budgeted:	Yes	FY19:	\$ 10,500.00
Budget Source:	Operating	FY20:	\$ 24,500.00
Funding Source:	Local	FY21:	\$ 2,500.00
CC: & GL Acct(s):	35, 630003	FY22:	\$ 2,500.00
Total Budget:	\$40,000.00 <sup>(1)</sup>	Total Amount:	\$ 40,000.00 <sup>(1)</sup>

<sup>(1)</sup>Plus applicable sales tax.

Original Contract	\$530,837.83
First Amendment:	<u>\$40,000.00</u>
New Total Contract:	\$570,837.83

## DISCUSSION

On January 12, 2015, the Board awarded a Contract to Vehicle Wraps, Inc. (Vehicle Wraps) for the installation of vinyl wraps on SacRT's fleet of 36 Siemens light rail vehicles (LRVs). The purpose of the project was to improve the exterior of the aging fleet by installing a 3M vinyl wrap material. Compared to paint, wrapping the LRVs is more environmentally friendly, less time consuming, and carries a 7-year manufacturer's warranty against premature wear.

The Contract specified that a minimum of 25 and a maximum of 35 LRVs would be wrapped but that the exact number of LRVs was not known at the time of bid. Since commencement of the Contract, Vehicle Wraps has wrapped 25 Siemens LRVs. Four other LRVs have been wrapped with artwork designed by artists chosen by the Sacramento Metropolitan Arts Council. Three LRVs have been wrapped for special programs (e.g. Station Link, Downtown Partnership). There are a total of 12 different designs currently installed on the Siemens LRVs. On December 6, 2016, SacRT entered into a contract with Lamar Transit, LLC (Lamar) for Light Rail Vehicle and Station

Approved:

Presented:

Final 05/06/18

General Manager/CEO

Maintenance Superintendent - Light Rail

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June

11,

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Advertising; therefore, several LRVs have been wrapped with advertisements by Lamar's contractor. SacRT has received much needed revenue through the sale of advertising on LRVs.

The original project schedule projected that 35 Siemens LRVs would be wrapped by June 30, 2018; however, due to various interruptions, including the art and advertising wraps initiatives, ten Siemens LRVs still need to be wrapped and two LRVs potentially need to be re-wrapped. Staff desires to extend the term of the current contract with Vehicle Wraps by four years in order to wrap the remaining LRVs by the end of 2019, and to have consistency with the same contractor for call-back repair services, since the 12 designs previously mentioned are maintained in printable format by Vehicle Wraps. Unlike the common practice of vertical panel installations, Vehicle Wraps uses a horizontal panel installation, resulting in a cleaner installation with fewer potential points of failure at the panel seams. Because this was a fixed term, indefinite delivery, indefinite warranty contract, the extension is considered a Sole Source procurement. SacRT is extremely satisfied with Vehicle Wraps' work. Vehicle Wraps has been a very accommodating Contractor to work with regarding changes to the project schedule.

Although no additional funding is needed for the ten base wraps, Staff desires to increase the total consideration in this First Amendment for two potential re-wraps. The contract also contains call-back service for repairs if, for example, an LRV is involved in an accident and a portion of the exterior wrap needs to be repaired or replaced. Staff desires to increase the funding for repair services over the course of the four-year term extension. Vehicle Wraps has agreed to honor its original bid pricing as established in the principal Contract. Staff also realizes a significant savings in the development costs associated with building custom printable artwork files for the various graphics installed on the Siemens LRVs, that might be incurred with a new vendor. Vehicle Wraps original bid pricing was determined fair and reasonable.

This project is not federally funded and, therefore, the Disadvantaged Business Enterprise (DBE) regulation under 49 CFR Part 26 is not applicable to the contract and no DBE participation goal was set. Likewise, due to limited subcontracting opportunities on this procurement, no Small Business Enterprise (SBE) goal was established for this contract. However, Vehicle Wraps is a local Sacramento firm and is a certified SBE firm with no subcontractors; therefore, 100% SBE participation has been achieved.

Staff recommends the Board approve a Sole Source procurement and the First Amendment to the Contract for Siemens Light Rail Vehicle Vinyl Body Wraps to Vehicle Wraps, Inc. to extend the term of the contract by four years and to increase the total consideration by \$40,000.00, from \$530,837.83 to \$570,837.83, plus applicable sales tax.

RESOLUTION NO. 18-06-\_\_\_\_\_

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

June 11, 2018

**APPROVING A SOLE SOURCE PROCUREMENT AND APPROVING THE FIRST AMENDMENT TO THE CONTRACT FOR SIEMENS LIGHT RAIL VEHICLE VINYL BODY WRAPS WITH VEHICLE WRAPS, INC.**

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

THAT, in accordance with Section 1.405.B.2 of the SacRT Procurement Ordinance, a sole source procurement for services is permitted upon a determination that it is in the best interests of SacRT to solicit only one contractor.

THAT, due to the need to complete the vinyl wrap project and for continued call-back services, and the fact that Vehicle Wraps, Inc. has existing custom printable artwork files, it is in the best interest of SacRT to amend the current Contract with Vehicle Wraps, Inc. for Siemens Light Rail Vehicle Vinyl Body wrapping services without competition.

THAT, the First Amendment to the Contract between Sacramento Regional Transit District, therein referred to as "SacRT," and Vehicle Wraps, Inc., therein referred to as "Contractor," whereby additional wrapping is required, and the term of the contract is extended by four years, and the total consideration is increased by \$40,000.00, from \$530,837.83 to \$570,837.83, plus applicable sales tax, is hereby approved.

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

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PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

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