

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
6	05/14/18	Open	Action	05/08/18

Subject: Approving Sole Source Procurement and First Amendment to Contract for UTDC Repairs and Maintenance Support with Siemens Industry Inc., and Seventh Amendment to Fiscal Year 2018 Capital Budget

ISSUE

Whether or not to approve a sole source procurement and First Amendment to Contract for UTDC Repairs and Maintenance support with Siemens Industry, Inc. and Approve the Seventh Amendment to the Fiscal Year 2018 Capital Budget.

RECOMMENDED ACTION

- A. Adopt Resolution No. 18-05-_____, Approving a Sole Source Procurement and First Amendment to Contract for UTDC Repairs and Maintenance with Siemens Industry, Inc. and
- B. Adopt Resolution No. 18-05-_____, Approving the Seventh Amendment to the Fiscal Year 2018 Capital Budget.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	240,000
Budget Source:	Capital	Next FY:	\$	0
Funding Source:	STA-SB1	Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:	910800/R353.08.05 UTDC Vehicle Repairs	Total Amount:	\$	240,000
Total Budget:	\$ 540,000			
Original Contract:	\$300,000			
Contract Amendment:	<u>\$240,000</u>			
Total	\$540,000			

DISCUSSION

The UTDC Light Rail Vehicles (LRVs) are a part of the fleet management plan and are needed to free up CAF LRVs to start the mid-life overhaul and to allow for increasing repairs to the aging Siemens fleet of U2As without compromising Sacramento Regional Transit (SacRT) service.

The UTDC vehicles were acquired from the Santa Clara Valley Transportation Authority in 2003 and sat idle until 2010, when SacRT awarded a Contract for UTDC Light Rail Vehicle refurbishment to Siemens Industry, Inc. The Contract required Siemens Industry, Inc. to refurbish 21 UTDC LRVs by overhauling and repairing vehicle body and existing systems, upgrading some obsolete systems, and adding safety related monitoring systems. The refurbishment Contract

Approved:

Presented:

Final 05/09/18

General Manager/CEO

Deputy General Manager/COO

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called for some components to be refurbished by others and supplied by SacRT to Siemens. In addition, while the document called for a fairly comprehensive refurbishment, due to the long period these vehicles were idle, there were some issues that could not be anticipated or addressed until the vehicles were placed back into service.

Typically, when buying new LRVs, a transit agency would require that the manufacturer remain on site to provide support during the period after final acceptance to the point where LRVs are able to reliably run in revenue service. This period is typically a year. The refurbishment Contract did not contain these provisions.

While some issues with the UTDC LRVs may be dealt with as warranty issues under the refurbishment Contract and other third-party contracts, there are a number of operational problems that have been encountered as the LRVs have been commissioned that are not within the scope of the refurbishment Contract, including issues with some components that were supplied by SacRT to Siemens. These issues have delayed SacRT's ability to reliably put the UTDC LRVs in service.

When Siemens support started in June 2017, 3 LRVs were in revenue service. The monthly average was 215 miles per LRV and 3,000 miles for the fleet. With the support provided by Siemens, as of March 2018, the number of vehicles available for revenue service has improved. The monthly average has increased to 2,238 miles per LRV and 40,289 miles for the fleet.

With the increased vacancies in Maintenance staff and the planned operation of the LRVs on the Gold Line, staff has identified a need to extend Siemens on-site technicians support, and provide engineering support as requested by SacRT, for an additional 90 days beyond the current July 1, 2018 date to September 30, 2018.

Staff recommends approving the sole source Contract Amendment with Siemens Industry, Inc. and approving the Seventh Amendment to the Fiscal Year 2018 Capital Budget to increase the Capital Budget by \$240,000 for this project.

RESOLUTION NO. 18-05-_____

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

May 14, 2018

**APPROVING A SOLE SOURCE PROCUREMENT AND FIRST AMENDMENT TO
CONTRACT FOR UTDC REPAIRS AND MAINTENANCE WITH SIEMENS
INDUSTRY, 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 Siemens' specialized knowledge of the UTDC vehicles, it is in the best interest of SacRT to amend the current Contract with Siemens for repair and maintenance support without competition.

THAT, the First Amendment to the Contract for UTDC Repairs and Maintenance Support by and between Sacramento Regional Transit District (therein "SacRT") and Siemens Industry, Inc. (therein "Contractor") whereby Siemens agrees to provide 4 full-time on-site technicians and, in addition, provide engineering support when requested by SacRT, whereby the term is extended to September 30, 2018 and the total consideration is increased by \$240,000, from \$300,000 to \$540,000, is hereby approved.

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

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary

RESOLUTION NO. 18-05-_____

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

May 14, 2018

APPROVING THE SEVENTH AMENDMENT TO THE FISCAL YEAR 2018 CAPITAL BUDGET

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

THAT, the Seventh Amendment to the Fiscal Year 2018 Capital Budget to increase the Capital Budget in the amount of \$240,000 for the UTDC LRV Fleet Improvement Project, is hereby approved.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary