

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
5	11/18/19	Open	Action	11/12/19

Subject: Approving a Sole Source Procurement and Approving a Contract for Purchase of CAF Couplers with Voith Turbo Inc

ISSUE

Whether or not to approve a Sole Source Procurement and approve a Contract for Purchase of CAF Couplers with Voith Turbo, Inc.

RECOMMENDED ACTION

Adopt Resolution No. 19-11-____, Approving a Sole Source Procurement and Approving a Contract for Purchase of CAF Couplers with Voith Turbo, Inc.

FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	400,000.00
Budget Source:	Capital	Next FY:	\$	
Funding Source:		Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:	910800 / 651.11.01	Total Amount:	\$	400,000.00
Total Budget:	\$ 400,000.00*			

*including sales tax and shipping

DISCUSSION

The coupler is a major component of the Light Rail Vehicles (LRVs) manufactured by Construcciones Auxiliar Ferrocarriles (CAF), which have been in revenue service since 2004. The CAF LRVs are nearing the mid-life overhaul, which requires extensive overall of most major assemblies. The original spare assemblies delivered with the LRVs have become unserviceable over time. As a result, Staff has determined that an additional 4 couplers must be manufactured to provide new couplers that can be used as spare parts and allow the couplers currently installed on the LRVs to be removed and overhauled without removing the LRV from service.

Couplers are part of the existing equipment manufactured by Voith Turbo, Inc. (Voith). This equipment must be compatible and interchangeable. Coupler 231.006461109USDI is a unique design manufactured specifically for CAF to Sacramento Regional Transit's (SacRT) specifications. Voith owns all tooling and is the only holder of the drawings required for manufacturing.

Staff has researched the market and to the best of our knowledge, because of the proprietary nature of the parts, there are no other manufacturers that offer engineering-tested and approved alternates. While it might be theoretically possible to provide the existing coupler to a

Approved:

Presented:

Final 11/13/19

General Manager/CEO

VP, Operations

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manufacturer to reverse engineer these components, (1) given aging and wear on the existing parts, it might be impossible to replicate the original part; and (2) these are safety-critical components, so there is little room for error in the production process.

Staff has researched the market and determined the price to be fair and reasonable based on comparisons of sale of similar components to other transit agencies.

Staff recommends approving the sole source procurement of Voith couplers and the Contract for the purchase of CAF Couplers with Voith Turbo, Inc.

RESOLUTION NO. 19-11-_____

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

November 18, 2019

**APPROVING A SOLE SOURCE PROCUREMENT AND APPROVING A CONTRACT
FOR PURCHASE OF CAF COUPLERS WITH VOITH TURBO, 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.A.1. b of the SacRT Procurement Ordinance, a sole source procurement for supplies is permitted upon a determination that, due to patent and restricted data rights, the required product is only available from the manufacturer and it would be futile to seek competition, as no other competitive source of supply exists.

THAT, due to Voith Turbo Inc. owning the tooling and holding the drawings required for manufacturing, it would be futile to seek competition for production of the couplers, which are required to be compatible within SacRT's existing CAF light rail fleet.

THAT, the Contract for Purchase of CAF Couplers by and between Sacramento Regional Transit District (therein "SacRT") and Voith Turbo Inc. (therein "Contractor") whereby Contractor agrees to provide 4 Couplers Part Number 231.006461109USDI for an amount not to exceed \$349,800.00, plus applicable shipping and sales tax, is hereby approved.

THAT, the General Manager/CEO is authorized and directed to execute said Contract.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Cindy Brooks, Assistant Secretary