

Date: March 28, 2018

To: Board of Directors

From: Doug Kelsey 

Subject: **RESOLUTION 18-03-29 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH SCHETKY NORTHWEST SALES, INC. FOR THE PURCHASE OF REPLACEMENT AND EXPANSION VEHICLES FOR THE PROVISION OF LIFT SERVICE**

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize the General Manager to execute a contract with Schetky Northwest Sales, Inc. (Schetky) for the purchase of replacement and expansion vehicles for the provision of LIFT service.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other _____

3. Reason for Board Action

Board authorization is required for goods and services contracts obligating TriMet to pay in excess of \$1,000,000.

4. Type of Action

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

TriMet's current fleet for delivery of LIFT paratransit service consists of 253 lift-equipped mini-buses and 15 ramp-equipped vans. Regular replacement of these vehicles is necessary. TriMet's goal is to replace LIFT vehicles at eight years of age, which corresponds to approximately 232,000 miles. This is consistent with transit industry standard practice to replace paratransit vehicles at six to eight years of age.

Procurement of a total of 124 LIFT vehicles is programmed over three years, FYs2018-2020, in TriMet's Capital Improvement Program (CIP), as follows:

	Replacement LIFT Vehicles	Expansion LIFT Vehicles	Total LIFT Vehicle Purchases
FY2018 Adopted Budget	25	5	30
FY2019 Proposed Budget	42	5	47
FY2020 CIP	42	5	47
Total LIFT Vehicle Purchases, FYs2018-2020			124

6. Procurement Process

TriMet utilized a State of Oregon Department of Transportation, Public Transit Division Price Agreement to procure the Norcal Ford Transit 350EL vans. The State of Oregon issued a formal competitive Request for Proposals (Opportunity No. 102-2041-14) for ADA-accessible buses, including vans, and awarded contracts to four (4) vendors. Schetky was awarded one of the Price Agreements as a result of that solicitation.

Quotes were solicited from the four vendors on the State Price Agreement capable of manufacturing the vans best suited to TriMet's needs. Two of the vendors returned a quote, however one of the vendors, Creative Bus Sales, could not quote the van with the lift that TriMet specified, and was therefore found to be non-responsive. Schetky is the only firm that could provide the lift specified by TriMet making it the only responsive and responsible firm that submitted a quote as outlined below:

Budget Year	Per Bus	x	# of Vans	=	Grand Total
FY2018	\$70,726.00	x	30	=	\$2,121,780.00
FY2019	\$72,848.00	x	47	=	\$3,423,856.00
FY2020	\$75,033.00	x	47	=	\$3,526,551.00
Total Procurement					\$9,072,187.00

The proposed contract amount is \$9,072,187 for 124 Norcal Ford Transit 350EL lift-equipped vans, over a three-year period. The actual pricing for the vehicles anticipated to be ordered in years 2 and 3 of this contract may be more expensive. As a result, a change order allowance of 10% is provided for in the Resolution.

The State of Oregon Department of Transportation, Public Transit Division Price Agreement leverages the demand for vehicles from all public transit agencies in the State, as well as other State Agencies, so the pricing is based on the collective demand from all of the various agencies. Staff has determined that the pricing is fair and reasonable and it is unlikely that a better price would be obtained through an open market solicitation.

Execution of the contract is contingent upon a successful Pre-Award Buy America Audit as required to ensure compliance with Federal Transit Administration Buy America provisions.

7. **Diversity**

Schetky is not a certified firm, nor are there any subcontracting opportunities. Their workforce diversity is 18% female and 18% minority, with 68 total employees.

8. **Financial/Budget Impact**

Funding for the Contract is budgeted under the Capital Programs budget of TriMet's Adopted Budget, with the federally funded portion administered by the Oregon Department of Transportation, Public Transit Division.

9. **Impact if Not Approved**

Regular replacement of LIFT vehicles is required to provide reliable LIFT service. An option would be for TriMet to perform its own solicitation for these vehicles. This would duplicate the solicitation process conducted by the State of Oregon and would likely result in the same or higher pricing, as the State's agreement includes language that guarantees that the pricing submitted to the State be the lowest offered by the vendor, and leverages the collective volume of vehicles from several other agencies.

RESOLUTION 18-03-29

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH SCHETKY NORTHWEST SALES, INC. FOR THE PURCHASE OF REPLACEMENT AND EXPANSION VEHICLES FOR THE PROVISION OF LIFT SERVICE

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Schetky Northwest Sales, Inc. for the purchase of replacement and expansion vehicles for the provision of LIFT service (Contract); and

WHEREAS, the total amount of the Contract is expected to exceed \$1,000,000; and

WHEREAS, the TriMet Board of Directors (Board), by Resolution dated October 25, 2017, adopted a Statement of Policies requiring the Board to authorize goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contract shall be in conformance with applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract in an amount not to exceed \$9,072,187.
3. That the General Manager or his designee is further authorized to execute change orders to the Contract in an amount not to exceed 10% of the not to exceed amount of the Contract.

Dated: March 28, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department