

**Date:** February 27, 2019

**To:** Board of Directors

**From:** Doug Kelsey 

**Subject** **RESOLUTION 19-02-12 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH COMPLETE COACH WORKS (CCW) FOR ON-SITE BUS FLEET MAINTENANCE AND REPAIR SERVICES**

---

**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 Complete Coach Works (“CCW”) for temporary on-site bus fleet preventative maintenance and repair services (“Services”).

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other \_\_\_\_\_

**3. Reason for Board Action**

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

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

TriMet has approximately 700 buses in its fleet, distributed between three maintenance facilities, all of which require timed inspections and preventive maintenance (“PMs”). TriMet utilizes journey-level mechanics to accomplish these PMs, with each bus taking between 3-8 hours, depending on the level of PM (B, C or D inspection).

Due to TriMet’s recent expansion of bus service and the high volume of retirements in TriMet’s journey-level bus maintenance workforce, (replenishment of which comes from the Service Worker ranks who enter a 24-month Maintenance Apprenticeship Program), TriMet currently finds itself short-staffed by approximately forty-eight full-time journey-level mechanics. This shortage means that TriMet’s bus fleet PM schedule is increasingly more and more difficult to meet and overtime among journey-workers is at an all-time high. Between Fall 2018 and Spring 2019, TriMet will have added 1,934 working vehicle hours, or 116,040 miles to the bus system. That equates to an additional 18 PMs per week or 936 PMs

per year. On average, it will take an extra four full-time employees (“FTEs”) to support this increase in service.

The solicitation sought to procure a contractor capable of performing on-site/on-call bus fleet maintenance and repair services for TriMet’s Bus Maintenance department on an “as-needed” basis, who could provide between four to six technicians, each working 40 hours per week, to support TriMet’s PM Program. Technicians would be utilized in four-week increments, with technician labor not exceeding twenty-six weeks per year. TriMet, at its sole discretion, would determine the number of technicians (up to six) needed at each garage at any one time.

With this contract, TriMet would be able to adhere to its PM schedule until such time that the Bus Maintenance journey-level mechanic ranks are fully staffed, which is anticipated to occur by the end of FY2021.

The funding for this additional contracted labor will be counted as part of the Maintenance Assistance Fund (MAF) as provided in Section 9, Paragraph 1 (p. 59) of the TriMet/ATU Working Wage Agreement, which allows TriMet to pay for limited amounts of additional maintenance work performed by independent contractors.

## **6. Procurement Process**

TriMet issued Invitations To Bid (“ITB”) for the Services twice, with no resulting award recommendation. TriMet issued a third ITB with the intent to make one award for a three-year period of \$2,025,000 (\$675,000 each year); with the award based on the vendor’s hourly shop rate for a lower-tier technician. On January 30, 2019, TriMet received two bids in response to the third ITB from:

- Complete Coach Works (CCW) (at a shop rate of \$107.50/hour)
- Cummins, Inc. (at a shop rate of \$125.00/hour)

The proposed contract with CCW will be for a three-year term, with TriMet’s unilateral option to terminate for convenience at any time. Contract pricing is based on a firm/fixed rate per technician of \$107.50/hour, capped at \$675,000 per year. The total contract price, which is also the Project Manager’s Independent Cost Estimate (“ICE”), is based on the fully-burdened, highest salaried journey-level mechanic pay rate of a fully-tenured TriMet mechanic, adding estimated overhead costs and profit for a potential contractor.

No rate increases are allowed during the initial year of the contract; any rate increases during years 2-3 will be subject to TriMet approval, and will be capped at the yearly percentage change in the Consumer Price Index – All Urban Wage Earners and Clerical Workers (CPI-W), for the Portland-Salem area Western Region, Pacific Division – Class A. However, the full three-year contract value will not exceed \$2,025,000, regardless of annual price adjustment increases.

Following receipt of bids, but prior to the issuance of the Notice of Intent to Award, staff performed a responsibility determination and determined that CCW is responsive and responsible.

7. **Diversity**

CCW is not a certified diverse firm, but its workforce is 63.6% minority and 13.6% female. The company's total employee count is 316. CCW will be performing the work under the Contract, and will not rely on subcontractors.

8. **Financial/Budget Impact**

Bus fleet inspections and PMs are budgeted as an element of the FY2019 Bus Maintenance Operating Budget. Contracted labor will be paid out under the Maintenance Assistance Fund ("MAF") line item; while non-labor costs (i.e. parts, miscellaneous items) will be paid out under the various Repair/Maintenance Materials line items. Funding for all line items reoccur each Fiscal Year.

9. **Impact if Not Approved**

Should the Board choose to not approve this contract, Bus Maintenance could continue to provide all bus fleet inspection and PM services utilizing current TriMet staff. However, because TriMet currently is not sufficiently staffed to fully perform these preventative maintenance functions as required to maintain the fleet's warranty status and/or to TriMet's standards, it is TriMet's recommendation that the Board approve this contract.

**RESOLUTION 19-02-12**

**RESOLUTION 19-02-12 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A  
CONTRACT WITH COMPLETE COACH WORKS (CCW) FOR ON-SITE BUS  
FLEET MAINTENANCE AND REPAIR SERVICES**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract with Complete Coach Works for temporary on-site bus fleet preventative maintenance and repair services (“Contract”); and

**WHEREAS**, the total amount of the Contract exceeds \$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 approve goods and services contracts obligating TriMet to pay in excess of \$1,000,000;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the Contract shall conform to applicable laws.
2. That the General Manager or his designee is authorized to execute the Contract in an amount not to exceed \$2,025,000.00, and terminating by March 1, 2022.

Dated: February 27, 2019

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
\_\_\_\_\_  
Legal Department