

**Date:** September 16, 2015

**To:** Board of Directors

**From:** Neil McFarlane *Neil McFarlane*

**Subject:** RESOLUTION 15-09-56 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH NELSON TRUCK EQUIPMENT CO., INC., FOR A MAINTENANCE OF WAY TRACK VACUUM MAINTENANCE VEHICLE

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**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 Nelson Truck Equipment Co., Inc., for a Maintenance of Way track vacuum maintenance vehicle.

**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 \$500,000.

**4. Type of Action:**

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

**5. Background**

An essential function of TriMet's Light Rail Maintenance of Way (“MOW”) department is regular removal of dirt and debris from the light rail trackway, which if left uncollected, can impair reliability of track signal and electrification systems, as moisture is absorbed by the dirt. Most of the debris which needs to be continually cleaned from the trackway is sand that is dropped by the light rail vehicles (LRVs), which is a normal, ongoing condition, because the braking systems on the LRVs have sanders which automatically drop sand on the top of the rails, to improve traction, when wheel spin/slide is detected.

Since MAX began operation in 1986, MOW Track Laborer employees have manually cleaned sand, dirt and debris from the trackway. With addition of the Portland - Milwaukie light rail project (PMLR), the MAX system totals 60 route miles (120 track miles) as of 2015. To improve MOW efficiency and productivity for the ongoing, routine task of cleaning sand, dirt and debris from the trackway, procurement of a hi-rail (on-track) vacuum maintenance vehicle was included among the maintenance equipment items budgeted under the PMLR project. The proposed contract is for the furnishing of this vehicle.

## **6. Procurement Process**

TriMet issued an invitation to bid (ITB) for a MOW track vacuum maintenance vehicle on July 7, 2015. Twenty-eight (28) vendors downloaded the ITB from TriMet's eBid system. Two bids were received on the bid due date of August 25, 2015; one bid was rejected for being submitted after the bid due time of 10:00 a.m. (and would have subsequently been found to be non-responsive if submitted on time, for failure to submit all necessary bid forms). The remaining, and lower-priced bid, was determined to be fully compliant with the technical specifications and all other requirements of the ITB. That bid was submitted by Nelson Truck Equipment Co., Inc., in the amount of \$791,982.00.

Staff's independent cost estimate ("ICE") for this procurement was \$625,000. Nelson Truck Equipment Co., Inc.'s price of \$791,982 reflects market pricing for this specialized equipment. An example is the other bid that was received (which was rejected and determined to be non-responsive), was in the amount of \$811,674.00.

Nelson Truck Equipment Co., Inc. is a supplier of specialty maintenance/service trucks and related services, was established in 1937, and has shops in Seattle, Kent, and Spokane, Washington, and in Portland, Oregon.

## **7. Diversity**

The proposed contract does not include a Disadvantaged Business Enterprise (DBE) subcontracting plan, inasmuch as furnishing the vacuum maintenance vehicle entails ordering a truck chassis from a motor vehicle manufacturer, followed by installations of specialized hi-rail gear and vacuum equipment ordered from multiple suppliers. Nelson Truck Equipment Co., Inc. will use its own crews to fit-out the truck chassis with the specialized hi-rail and vacuum equipment.

## **8. Financial/Budget Impact**

Funding for the MOW track vacuum maintenance vehicle is budgeted under the PMLR project.

## **9. Impact if Not Approved**

The Board could approve the contract, or direct staff to issue a new solicitation. However, a new solicitation is not recommended, because staff has determined Nelson Truck Equipment Co., Inc.'s bid to be fully responsive and responsible, and its bid price to be fair and reasonable. A new solicitation for this specialized equipment is not expected to result in lower pricing, or improved quality.

**RESOLUTION 15-09-56**

**RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH NELSON TRUCK EQUIPMENT CO., INC., FOR A MAINTENANCE OF WAY TRACK VACUUM MAINTENANCE VEHICLE**

**WHEREAS**, TriMet has authority under ORS 267.200 to enter into a contract with Nelson Truck Equipment Co., Inc., for a Maintenance of Way track vacuum maintenance vehicle (“Contract”); and

**WHEREAS**, the total amount of the Contract shall exceed \$500,000; and

**WHEREAS**, the TriMet Board of Directors (Board), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve goods and services contracts obligating TriMet to pay in excess of \$500,000;

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

1. That the Contract shall be in conformance with applicable laws.
2. That the General Manager is authorized to execute the Contract.

Dated: September 16, 2015

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Presiding Officer

Attest:

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

Approved as to Legal Sufficiency:

  
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Legal Department