

Date: April 26, 2017**To:** Board of Directors**From:** Neil McFarlane *Neil McFarlane***Subject:** RESOLUTION 17-04-31 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH VOESTALPINE NORTRAK, INC. FOR THE PURCHASE OF SPECIAL TRACKWORK MATERIALS FOR THE STEEL BRIDGE AND TRACK REHABILITATION PROJECT**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 Voestalpine Nortrak, Inc. (VAE Nortrak) for the Purchase of Special Trackwork Materials for the Steel Bridge and Track Rehabilitation Project (Project).

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 1st Reading
 Ordinance 2nd Reading
 Other _____

5. Background

TriMet is preparing to begin work on a Project which will improve the Steel Bridge and the adjoining trackway, as well as other track rehabilitation work throughout the TriMet system. This work is becoming necessary as the system continues to age. At its February 2017 meeting, the Board approved Resolution 17-02-10, authorizing an exemption from the low bid procurement requirement for selecting a contractor for the Project, and TriMet has since issued a Request for Proposals to select a construction manager/general contractor (CM/GC). However, prior to the selection of the CM/GC, TriMet must procure special trackwork materials, generally consisting of turnouts, crossovers, and girder rail, in order to receive delivery of the materials in a timely manner that will allow the selected CM/GC to begin the

Project promptly and maintain the planned work schedule, which requires significant advance planning due to its impact on light rail service.

6. Procurement Process

On March 1, 2017, TriMet issued an Invitation to Bid to furnish the special trackwork materials. On April 10, 2017, TriMet received bids as follows:

Bidder	Bid Amount
Voestalpine Nortrak, Inc.	\$1,176,551.00
Cleveland Track Material, Inc.	\$1,223,102.00
London Trackwork, Inc.	\$1,384,613.50
MCSI/PUSA	\$1,373,414.22
HJ Skelton	\$2,006,199.10

VAE Nortrak's response was the lowest responsive and responsible bid and is 7.5% percent under the independent cost estimate. Based on this and adequate competition, staff believe VAE Nortrak's bid is fair and reasonable. Accordingly, TriMet proposes to award a contract to VAE Nortrak in an amount not to exceed \$1,176,551. Bids were based on unit pricing for estimated quantities for the Project. TriMet will provide these materials to the CM/GC contractor for the Project, who will use them to replace existing special trackwork as required.

7. Diversity

Due to the fact this is a low bid contract for the procurement of goods, and due to the specialty nature of the goods being procured, there are no subcontracting opportunities available.

8. Financial/Budget Impact

The delivery of materials is planned for FY 2018 and FY 2019 and is included in the Operations and Capital budgets for those years.

Procuring the special trackwork independent of the Project will benefit TriMet by eliminating schedule risks that could be incurred if it were procured by the CM/GC. It will also allow TriMet to avoid contractor markup on the material costs.

9. Impact if Not Approved

If the contract award is not approved, TriMet could require the CM/GC for the Project to procure the special track materials. However, for the reasons described above, staff believes that procuring the special trackwork in advance of and separately from the Project is in TriMet's best interests.

RESOLUTION 17-04-31

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING A CONTRACT WITH VOESTALPINE NORTRAK, INC. FOR THE PURCHASE OF SPECIAL TRACKWORK MATERIALS FOR THE STEEL BRIDGE AND TRACK REHABILITATION PROJECT

WHEREAS, TriMet has authority under ORS 267.200 to enter into a contract with Voestalpine Nortrak, Inc. (VAE Nortrak) for the purchase of special trackwork materials for the Steel Bridge and Track Rehabilitation Project (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 or his designee is authorized to execute the Contract.

Dated: April 26, 2017

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:



Legal Department