Tacoma City of Tacoma City Council Action Memorandum

TO: T.C. Broadnax, City Manager
FROM: Dale W. King, Superintendent, Tacoma Rail
Alan Matheson, Chief Mechanical Officer, Tacoma Rail
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke, Finance/Purchasing
SUBJECT: TRMW On-Call Track and Bridge Maintenance, Contract Increase/Extension
Request for Bids, Specification No. TR12-0244F, 4600008492, February 24, 2015
DATE: January 27, 2015

SUMMARY:
Tacoma Rail recommends the current TRMW On-Call Track and Bridge Maintenance contract to RailWorks Track Systems, Inc. Chehalis, WA, be extended with the same terms and conditions of the original contract, with an increase in the amount of $150,000.00 for a cumulative contract amount of $520,712.00, plus applicable sales tax, and extension of the initial contract term by 22 months, from March 1, 2015 to December 31, 2016.

STRATEGIC POLICY PRIORITY: This contract supports public safety and is necessary to ensure compliance with existing federal regulations as prescribed within 49 CFR Parts 213 and 237 which outline railroad track and bridge inspection and maintenance standards. Extending this contract will hold of costs for labor and equipment at the same rates RailWorks bid in 2012.

- Strengthen and maintain a strong fiscal management position.
- Strengthen and support public safety, human services, public education, and diverse higher learning opportunities in Tacoma.

BACKGROUND:
Tacoma Rail is a full-service short line railroad. Freight railcar interchange occurs with both the BNSF Railway and Union Pacific Railroad. Tacoma Rail is owned by the City of Tacoma and operates under the authority of the Tacoma Public Utility Board for the Tidelands and Capital Division (TMBL).

The City of Tacoma Public Works Department owns the 132 miles of railroad track from Tacoma to the Frederickson Industrial Park and to Chehalis and Morton known as the Mountain Division (TRMW) which is operated by Tacoma Rail on their behalf, as authorized by City Council Resolution No. 38389, with ongoing oversight under the purview of the Tacoma City Council.

This contract supplements Tacoma Rail labor and equipment resources and provides a means for quick response to repair damaged railroad track(s) and bridges that may either be beyond the capabilities of Tacoma Rail to repair or supplement their capabilities when necessary.

ALTERNATIVES: One alternative is to allow the current contract to expire and solicit new bids. However, Tacoma Rail staff does not reasonably believe that there would be a reduction in the hourly rates for labor and equipment based on current industry trends. Additionally, RailWorks has agreed to honor a quote submitted in April, 2012, for modifications to a TRMW bridge necessary to facilitate the WSDOT I-5 Northbound Bridge Replacement Project, with the associated costs fully reimbursable through the WSDOT highway improvement project.

COMPETITIVE SOLICITATION: Request for Bids Specification No. TR12-0244F submittals were opened October 23, 2012. Three companies were invited to bid in addition to normal advertising of the project. Three submittals were received.

Respondent	Location *(city and state)*	Submittal Amount	Evaluated Submittal
RailWorks Track Systems, Inc.	**Chehalis, WA**	**$370,712.00**	**$370,712.00**
Stacy and Witbeck, Inc.	Portland, OR	$392,804.00	$392,804.00
Rognlin's Inc.	Aberdeen, WA	$452,270.00	$452,270.00

Pre-bid Estimate: $398,882.00
The recommended award is 7.1 percent below the pre-bid estimate.

CONTRACT HISTORY: This contract was originally awarded to RailWorks Track Systems, Inc. as a result of Request for Bids Specification No. TR12-0244F in October 2012. This request is consistent with Section 1.17 of the Bid Solicitation, EXTENSION OF CONTRACT, "Contracts resulting from this specification shall be subject to extension by mutual agreement per the same prices, terms, and conditions". Tacoma Rail would like to extend this contract and has obtained written concurrence from RailWorks Track Systems, Inc. to keep the same prices, terms, and conditions as offered in their bid documents.

SUSTAINABILITY: This service contract will help ensure ongoing compliance with existing federal regulations and contribute to public safety. All antiquated track components and materials which are replaced are routinely recycled.

SBE/LEAP COMPLIANCE: There were no bids received from Small Business Enterprises (SBE) contractors for this Single Trade project when originally bid. The Local Employment and Apprenticeship Training Program goal for this contract is 530 hours.

RECOMMENDATION:
Tacoma Rail recommends increasing the TRMW On-Call Track and Bridge Maintenance contract to the original awarded bidder, RailWorks Tracks Systems, Inc. an additional $150,000 for a cumulative total of $520,712.00, and extending the effective dates for the contract an additional twenty-two (22) months from March 1, 2015 to December 31, 2016.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4120 Tacoma Rail Mountain Division	636000	5320100	$150,000.00
TOTAL			**$150,000.00**

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4120 Tacoma Rail Mountain Division	636000	4343260	$150,000.00
TOTAL			**$150,000.00**

POTENTIAL POSITION IMPACT:

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: Estimated expenditures for the current biennial cycle are budgeted and expected to be covered by operating revenues, or in the case of the planned modifications to TRMW Bridge No. 0.04C are reimbursable through WSDOT C&M Agreement RR-00467.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

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