



TO: T.C. Broadnax, City Manager
FROM: Dale W. King, Superintendent, Tacoma Rail *DWK 6/3/14*
 Alan Matheson, Chief Mechanical Officer, Tacoma Rail
COPY: City Council, City Clerk, SBE Coordinator, LEAP Coordinator, and Richelle Krienke,
 Finance/Purchasing
SUBJECT: TRMW Signal Maintenance and Inspection
 Request for Bids, Specification No. TR14-0166F, June 17, 2014
DATE: June 2, 2014

SUMMARY:

Tacoma Rail recommends a contract be awarded to Midvale Electric, Inc., in the amount of \$739,095.00, plus applicable sales tax, for Mountain Division highway-rail grade crossing signal maintenance and inspections, for an initial contract term of three years with the option to renew for two additional one-year terms for a cumulative contract amount of \$1,231,825.00.

STRATEGIC POLICY PRIORITY:

The contract supports public safety and is necessary to maintain compliance with existing federal regulations prescribed within 49 CFR Part 234 which outline highway-rail grade crossing signal systems inspection and maintenance routines with the objective of reducing collisions at these crossings.

- Strengthen and support public safety, human services, public education, and diverse higher learning opportunities in Tacoma.

BACKGROUND:

Tacoma Rail Mountain Division (TRMW) has 239 federally registered highway-rail grade crossings, 46 of which are signalized. Of those, 31 remain the responsibility of the Mountain Division after recent divestments of segments of the territory.

The determination as to which crossings are signalized is made by the Washington Utilities and Transportation Commission (WUTC), based on statistical analysis of data using a complex matrix. The WUTC owns the installed grade crossing signal equipment as typically installation costs are covered by federal Section 130 funding. However, once a signal system is installed, the railroad has inspection and maintenance responsibility in perpetuity until such time that the WUTC would approve a formal petition filed by the railroad requesting the removal of an existing grade crossing signal system.

ALTERNATIVES: There are no practical alternatives for this service contract, as Tacoma Rail does not currently employ staff with the technical expertise necessary to effectively inspect and maintain the grade crossing signal systems, and a substantial investment in training, vehicles, tools, and materials would need to be made in order to internalize this activity.

COMPETITIVE SOLICITATION:

Request for Bids Specification No. TR14-0166F was opened May 27, 2014. Three companies were invited to bid in addition to normal advertising of the project. One submittal was received. The table below reflects the amount of the initial award.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Submittal Amount</u>
Midvale Electric, Inc.	Sunnyside, WA	\$739,095.00



Pre-bid Estimate: \$625,000.00

The recommended award is 18.4 percent above the pre-bid estimate. Tacoma Rail’s pre-bid estimate was based on the previous contract amount plus a five percent escalator.

CONTRACT HISTORY: New contract.

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

SBE/LEAP COMPLIANCE: No bids were received from Small Business Enterprise (SBE) contractors for this Single Trade project. The Local Employment and Apprenticeship Training Program (LEAP) goal is not applicable.

RECOMMENDATION:

Tacoma Rail recommends a contract be awarded to Midvale Electric, Inc., for routine inspection and maintenance of TRMW’s grade crossing signal systems. If approved, the effective dates of the contract are from July 1, 2014 through June 30, 2017, with the options for two additional one-year extensions.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4120 Tacoma Rail Mountain Division	636000	5320100	\$1,231,825.00
TOTAL			\$1,231,825.00

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4120 Tacoma Rail Mountain Division	633000	4343271	\$1,231,825.00
TOTAL			\$1,231,825.00



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: \$123,186.00 estimated amount for period 7/01/2014 through 12/31/2014. Expenditures for future biennial cycles will be budgeted, and are expected to be covered by operating revenues.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

Expenditures for future biennial cycles will be budgeted, and are expected to be covered by operating revenues.