

STAFF REPORT

SUBJECT: LAVTA Purchase of Rutan Maintenance Bay Lift

FROM: Beverly Adamo, Director of Administrative Services

DATE: January 9, 2017

Action Requested

Reject the sole bid submitted in response to IFB #2016-19 and authorizes the Executive Director to negotiate on the open market and enter into a contract or contracts for the replacement and installation of a maintenance bay lift at the Rutan facility for \$147,000 with a contingency of \$3,000 for an aggregate of \$150,000.

Background

LAVTA's Maintenance facility located at 1362 Rutan Court was constructed in 1992 and included a maintenance bay with a three-post in-ground vehicle lift. This past year the lift became unsafe to use, and LAVTA determined that a new lift was needed. The cost estimate for the provision and installation of the lift was \$150,000.

Discussion

The Invitation for Bids (IFB) 2016-19 for the LAVTA Rutan Maintenance Bay Life Project was issued on October 31, 2016, and LAVTA advertised the IFB in the local newspapers twice on November 3 and November 8, 2016. The Notice of IFB was also sent via email and/or fax to firms on LAVTA's vendor list. Written questions or requests for approved equals were due on November 7, 2016 and there were no questions or requests received. Bids were due on November 18, 2016 at 2:00 p.m.

On the due date of LAVTA received one bid on the proposed scope of work. The bidder's company name, company location, and grand total price is listed below.

Company Name	Location	Grand Total Amount
SLEC, Incorporated	Baltimore, MD	\$146,999.00

SLEC, Incorporated responded to the IFB; however, this company is the manufacturer of the specified lift and is not a licensed contractor or registered with the Department of Industrial Relations (DIR), as is required by the solicitation documents. As a result, SLEC's bid contains irregularities that cannot be waived. Staff has determined that engaging in another competitive process would be unavailing and not produce any advantage for LAVTA because the reissuance of the same solicitation specifications is unlikely to produce additional lower bids and the maintenance bay lift needs to be replaced as soon as possible in

order to complete essential bus maintenance. Additionally, the flexibility to negotiate contract terms at fair and reasonable prices in the open market with qualified contractors may produce favorable results. In consultation with Legal Counsel, Staff is now requesting the Board reject the sole bid and authorize the Executive Director to negotiate on the open market and enter into contract(s) for the replacement and installation of a maintenance bay lift at the Rutan facility for \$147,000 with a contingency of \$3,000 for an aggregate of \$150,000.

Budget

Although this project was not anticipated and captured in the 2017 Capital Budget, because another project associated with the new bus purchase was significantly less than the amount budgeted, LAVTA does have the funds in the Capital Budget to cover the replacement of this lift.

Next Steps

Upon the Board’s rejection of the sole bid and approval of the purchase of the bay lift and associated installation, the Executive Director, or his designee, will negotiate on the open market for the replacement and installation of a maintenance bay lift at the Rutan facility. Once negotiations are complete, the Executive Director will execute said contract(s) in a form approved by LAVTA's Legal Counsel.

Recommendation

Staff, in conjunction with LAVTA Legal Counsel recommends that the Board approve Resolution 02-2017 to reject the low bid and authorize the Executive Director to negotiate on the open market and enter into a contract or contracts for the replacement and installation of a maintenance bay lift at the Rutan facility for \$147,000 with a contingency of \$3,000 for an aggregate of \$150,000.

Attachments:

1. Resolution 02-2017

Approved: _____

RESOLUTION NO. 02-2017

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LIVERMORE AMADOR VALLEY TRANSIT AUTHORITY
REJECTING THE SOLE BID FOR THE RUTAN MAINTENANCE BAY LIFT
PROJECT AND AUTHORIZING THE EXECUTIVE DIRECTOR TO
NEGOTIATE ON THE OPEN MARKET AND EXECUTE CONTRACT(S)**

WHEREAS, the LAVTA requires the replacement and installation of a maintenance bay lift at the Rutan facility in order to perform necessary bus maintenance (Project) as described in LAVTA Invitation for Bids (IFB) #2016-19; and

WHEREAS, LAVTA issued IFB #2016-19 to solicit bids for the Project; and

WHEREAS, one bid was received from SLEC, Inc. in response to the IFB, and the bid contained irregularities that cannot be waived; and

WHEREAS, staff has determined that engaging in another competitive process would be unavailing and not produce any advantage for LAVTA because the reissuance of the same solicitation specifications is unlikely to produce additional lower bids, and the maintenance bay lift needs to be replaced as soon as possible in order to perform essential bus maintenance; and

WHEREAS, the flexibility to negotiate contract terms at fair and reasonable prices in the open market with qualified contractors may produce favorable results; and

WHEREAS, staff and the Executive Director recommend that the LAVTA Board of Directors reject the sole bid and authorize the Executive Director to negotiate on the open market and enter into a contract or contracts for the replacement and installation of a maintenance bay lift at the Rutan facility for \$147,000 with a contingency of \$3,000 for an aggregate of \$150,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Livermore Amador Valley Transit Authority rejects the sole bid submitted in response to IFB #2016-19 and authorizes the Executive Director to negotiate on the open market and enter into a contract or contracts for the replacement and installation of a maintenance bay lift at the Rutan facility for \$147,000 with a contingency of \$3,000 for an aggregate of \$150,000; and

BE IT FURTHER RESOLVED that the Executive Director is authorized to execute said contract(s) in a form approved by LAVTA's Legal Counsel.

PASSED AND ADOPTED this 9th day of January 2017.

Steven Spedowfski, Chair

ATTEST:

Michael Tree, Executive Director

APPROVED AS TO FORM:

Michael Conneran, Legal Counsel