

**MOTION NO. M2017-100**
**Link light rail parts contract amendment**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Operations and Administration Committee	7/6/2017	Final Action	Bonnie Todd, Executive Director of Operations <b>George McGinn, Link Maintenance Manager</b>

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract amendment with W.W. Grainger, Inc., to provide Link light rail with parts and supplies in the amount of \$150,000 for a new total authorized contract amount not to exceed \$348,825.

**KEY FEATURES SUMMARY**

- The Grainger account is utilized by multiple work groups within the Link Light Rail Maintenance Division for basic daily operational and industrial supplies. These groups include Vehicle, Facilities, Way, Power & Signal Maintenance and the Material Service Center.
- The current contract is a piggyback off of the Washington State contract. The State recently extended the three-year contract one year, to June 30, 2018; this amendment would exercise an option year and increase the contract amount to be in alignment with the new term.
- The increase in funds is forecast to meet the needs of the maintenance groups for the duration of the new contract period.

**BACKGROUND**

The Grainger account provides Link Light Rail Maintenance work groups, encompassing about 175 employees, the ability to purchase items including but not limited to tools and consumable materials such as switches, relays, circuit breakers, cleaning products, filters, ear plugs, safety goggles, etc. The original contract was for three years and within the CEO's authority. With unanticipated increases in light rail ridership and operations, Link is experiencing a higher volume of supplies needing to be purchased.

**PROCUREMENT INFORMATION**

This blanket purchase order was issued pursuant to State of Washington Department of Enterprise Services Contract No. 01711. For this procurement Sound Transit is in compliance with RCW 39.34 which governs cooperative purchasing. The State has exercised an option year and extended their contract to June 30, 2018. Pricing for this contract is the result of competitive bidding. Purchases have been deemed fair and reasonable and in the best interests of Sound Transit.

**FISCAL INFORMATION**

The proposed action will be funded from the Materials & Supplies category within the Operations department's annual operating budget. The Materials & Supplies category budget is \$10,831,824, of which a total of \$46,000 is estimated to be spent in the current year of the contract and is within

the agency's budget authority. After approval of this action, the remaining annual budget amount will be used to fund other department expenditures anticipated in the 2017 annual budget.

Funding for the additional years of the contract will be included in future annual budget requests.

**Operations Department**  
(in thousands)

	2017 Annual Operating Budget	Actuals to Date	This Action	Actuals to Date Plus Action	Remaining Annual Operating Budget
Salaries and Benefits	\$16,015	\$5,278	-	\$5,278	\$10,737
Services	60,782	21,033	-	21,033	39,748
Materials and Supplies	10,831	2,822	46	2,868	7,963
Utilities	5,276	2,130	-	2,130	3,146
Insurance	-	(18)	-	(18)	
Taxes	2,595	1,210	-	1,210	1,385
Purchased Transportation Services	163,027	66,452	-	66,452	96,575
Miscellaneous	388	125	-	125	263
Leases and Rentals	8,601	3,812	-	3,812	4,789
<b>Total Annual Operating Budget</b>	<b>\$267,514</b>	<b>\$102,844</b>	<b>\$46</b>	<b>\$102,890</b>	<b>\$164,606</b>

Contract Spending Plan	Prior Year Spending	Forecast 2017 Spending	Future Expenditures	Total
Grainger	\$124	\$46	\$162	\$332

Contract Detail	Board Approved Contract Value	Contract Actuals to Date	Proposed Action	Proposed Revised Board Approved Contract Value
Grainger	\$182	\$132	\$150	\$332
Contingency				-
<b>Contract Amount - Total</b>	<b>\$182</b>	<b>\$132</b>	<b>\$150</b>	<b>\$332</b>
Percent Contingency			0%	0%

\* Actuals reflect the month of May, 2017.

**SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION**

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that there were few Small Business and DBE subcontracting opportunities based upon the work described in this contract, so Small Business/DBE goals were not established.

**TIME CONSTRAINTS**

A one-month delay would not create a significant impact to the project schedule.

**ENVIRONMENTAL REVIEW**

KH 6/23/17

**LEGAL REVIEW**

AJP 6/30/17

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A motion of the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with W.W. Grainger, Inc., to provide Link light rail with parts and supplies in the amount of \$150,000 for a new total authorized contract amount not to exceed \$348,825.

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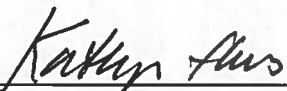
**MOTION:**

It is hereby moved by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract amendment with W.W. Grainger, Inc., to provide Link light rail with parts and supplies in the amount of \$150,000 for a new total authorized contract amount not to exceed \$348,825.

APPROVED by the Operations and Administration Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on July 6, 2017.

  
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Paul Roberts  
Operations and Administration Committee Chair

ATTEST:

  
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Kathryn Flores  
Board Administrator