

AGENDA ITEM 9-C
ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: AUGUST 17, 2007

RE: AUTHORIZATION TO ENTER INTO A CONTRACT FOR MECHANICAL BRAKE COMPONENTS

RECOMMENDATION:

The VRE Operations Board is being asked to authorize the Chief Executive Officer to enter into a one-year contract, with two additional one-year options exercised at the CEO's discretion, with **Railroad Friction Products Corporation, of Laurinburg, NC, for an amount not to exceed \$250,000 per year** for mechanical brake components.

BACKGROUND:

Brake components for VRE equipment are currently provided through Amtrak. VRE has found that the provision of these services through Amtrak is both slow and cumbersome now that the car fleet maintenance is performed in the VRE yards. As such, on June 15, 2007, the Operations Board authorized the issuance of an Invitation for Bids for these materials. The IFB was issued on July 13, 2007, with bids due on August 13.

Pricing was provided on a fixed price per item basis and includes freight. This contract will allow VRE to acquire brake shoes and disc pads directly for VRE's locomotive and car fleets. The term of the contract is one-year, with two additional one-year options. VRE is requesting authorization for the total term of the contract, with the VRE CEO exercising the option years at his discretion.

FISCAL IMPACT:

Funding for this contract is available in the FY 2008 VRE Operating Budget and will be included in subsequent budgets on an annual basis.

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**RESOLUTION
9C-08-2007
OF THE
VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD**

WHEREAS, brake components for VRE equipment are currently provided through Amtrak; and,

WHEREAS, VRE has found that the provision of these services through Amtrak is both slow and cumbersome now that the car fleet maintenance is performed in the VRE yards; and,

WHEREAS, a competitive solicitation was completed and the lowest responsive and responsible proposer was selected for contract award.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board authorizes the Chief Executive Officer to enter into a one-year contract, with two additional one-year options exercised at the CEO's discretion, with **Railroad Friction Products Corporation, of Laurinburg, NC, for an amount not to exceed \$250,000 per year** for mechanical brake components.