

AGENDA ITEM 8-E
ACTION ITEM

TO: CHAIRMAN KAUFFMAN AND THE VRE OPERATIONS BOARD

FROM: DALE ZEHNER

DATE: MARCH 16, 2007

**RE: AUTHORIZATION TO ENTER INTO A CONTRACT FOR
WHEELSET REPLACEMENT AND REPAIR**

RECOMMENDATION:

The VRE Operations Board is recommending that the Commissions authorize the Chief Executive Officer to enter into a one-year contract with two additional one-year options with ORX of Tipton, Pennsylvania, for wheelset replacement and repair services for a total contract value not to exceed \$1,482,000.

BACKGROUND:

Currently, all wheelset replacement and repair services are provided through Amtrak. VRE has found that the provision of these services through Amtrak is both slow and cumbersome. As such, an Invitation for Bid for these services was issued on February 6, 2007, with bids due on March 12. Following bid openings, staff is recommending award to ORX of Tipton, Pennsylvania.

Bids were requested for a one year contract with two additional one-year options. Pricing was provided on a fixed price per item basis and includes labor. Wheelsets needing repair will be sent to the company after spares are installed on the subject equipment in VRE's yards. Spares have been acquired for each type of equipment currently in operation by VRE. The term of the contract is for 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 FY08 VRE Operating Budget.

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RESOLUTION
8E-03-2007
OF THE
VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

WHEREAS, wheelset replacement and repair services 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; and,

WHEREAS, an Invitation for Bid was issued, those bids were opened publicly, and the most responsive, responsible vendor with the lowest bid was selected on March 12, 2007.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board recommends that the Commissions authorize the Chief Executive Officer to enter into a one-year contract with two additional one-year options with ORX of Tipton, Pennsylvania, for wheelset replacement and repair services for a total contract value not to exceed \$1,482,000.