To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Authorization to Execute a Contract for Rehabilitation of Wheelsets and Traction Motor Assemblies

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with UTCRAS, LLC of Morton, PA for the Rehabilitation of Wheelsets and Traction Motor Assemblies in the amount of $430,334, plus a 10% contingency of $43,033, for a total amount not to exceed $473,367, for a base year and three option years, with the CEO exercising the option years at his discretion.

Background:

During one week, every VRE locomotive and railcar in operation travels approximately 624 miles on the Fredericksburg Line and 370 miles on the Manassas Line. Over the course of operations, wheelsets and traction motors incur normal wear and tear requiring regular maintenance and occasional replacement to support safe and efficient operations.

The scope of work for this Contract includes two major services of rehabilitation: wheelset and traction motor assemblies. Wheelset services will include: replacement, repair, or overhaul of complete wheelsets consisting of axles, wheels, journal bearings, and journal boxes. Traction motor assemblies will include one or a combination of the following services: wheel renewal (new wheels), wheel reprofile (wheel trim), combo disassemble/reassemble, and traction motor repair.

With the current contract expiring on August 10, 2017, the VRE Operations Board approved a request to issue an Invitation for Bids (IFB) for the Rehabilitation of Wheelsets and Traction Motor Assemblies on March 17, 2017. A mailing list of four prospective
Bidders was established for the solicitation to ensure access to adequate sources of services. An IFB was issued on June 2, 2017 and bids were due on July 3, 2017. Three responses were received.

The bid tabulation is as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
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<tbody>
<tr>
<td>1. UTCRAS, LLC</td>
<td>$430,334</td>
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<tr>
<td>2. ORX</td>
<td>$565,843</td>
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<tr>
<td>3. R+W Machine</td>
<td>$646,908</td>
</tr>
</tbody>
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After review of the bids, it was determined UTCRAS, LLC was the lowest responsive-responsible bidder. The selected bidder is also the incumbent for the current Rehabilitation of Wheelsets and Traction Motor Assemblies Contract.

Staff has certified the price from the successful bidder is fair and reasonable.

**Fiscal Impact:**

The current budget for Equipment Operations includes funding of $200,000 for the first year of this activity. Funding for future years will be included in each proposed annual budget.
WHEREAS, wheelsets and traction motors incur normal wear and tear requiring regular maintenance and occasional replacement to support safe and efficient operations; and,

WHEREAS, VRE issued an IFB for Rehabilitation of Wheelsets and Traction Motor Assemblies on June 2, 2017; and,

WHEREAS, the current contract to provide these services will expire on August 10, 2017; and,

WHEREAS it was determined UTCRAS, LLC was the lowest responsive-responsible bidder;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with UTCRAS, LLC of Morton, PA for the Rehabilitation of Wheelsets and Traction Motor Assemblies in the amount of $430,334, plus a 10% contingency of $43,033, for a total amount not to exceed $473,367, for a base year and three option years, with the CEO exercising the option years at his discretion.

Approved this 21st day of July 2017

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Paul Smedberg
Chairman

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Katie Cristol
Secretary