Agenda Item 9-D
Action Item

To: Chairman Nohe and the VRE Operations Board

From: Doug Allen

Date: April 20, 2018

Re: Authorization to Execute a Contract and Task Order for Maintenance Services for VRE Facilities

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with NVE, Inc. of Herndon, Virginia for Maintenance Services for VRE Facilities in an amount not to exceed $3,525,414 for a base period of three years with the option to extend for one additional two-year period. This contract includes base work along with task order work. VRE staff will return to the Operations Board for authorization to exercise the two-year option period and associated funding.

The VRE Operations Board is also asked to authorize the Chief Executive Officer to issue an initial task order under the Maintenance Services for VRE Facilities contract to NVE, Inc. of Herndon, Virginia for comprehensive on-call services, including miscellaneous repair, installation and inspection services, electrical, lighting, generator and plumbing service and repairs, HVAC service and repairs and elevator service and repairs, in an amount $665,000, plus 5% contingency of $33,250, for a total not to exceed $698,250.

Summary:

This contract will provide ongoing maintenance services at 18 rail stations, two rail storage yards, headquarters and satellite office spaces. The initial task order will enable ongoing comprehensive repair, installation and inspection services of small to medium effort to be performed through the base term of the contract.
Background:

On October 20, 2017, the VRE Operations Board authorized the Chief Executive Officer (CEO) to issue a Request for Proposals (RFP) for Maintenance/Custodial Services for VRE Facilities. An RFP is the preferred method of procurement for this solicitation because there are different approaches to the desired services and an evaluation of technical merit is required. Upon completion of evaluation of proposals, negotiations are conducted with the two highest ranked firms deemed to be fully qualified and best suited among those submitting proposals, based on the factors specified in the evaluation criteria. Price will be considered in context of technical performance for this service to achieve a best value determination. After receipt of the best and final offer from the top-ranked firm, a cost analysis is performed to compare the proposed cost with the independent cost estimate to determine the proposed cost is fair and reasonable.

A solicitation for competitive proposals for Maintenance Services for VRE Facilities was necessary because the scope of work included requirements for base work along with task order work on an as-needed basis to address electrical, lighting, generator, plumbing, HVAC and elevator service and repairs, as well as other routine and preventive maintenance-related projects. Each project will include different requirements depending on location and degree of work; as such, the contract will include provisions for work to be assigned through the VRE task order process included within the procurement guidelines for a Request for Proposals. Invitation for Bids procedures do not allow for task order work.

A mailing list of eighteen prospective Offerors was established for the solicitation to ensure access to adequate sources of services. On January 31, 2018, an RFP was issued and proposals were due on March 5, 2018. Only one response was received. The staff conducted a survey to determine why only a single proposal was received and is satisfied with the result.

The following reasons were given for why prospective Offerors did not respond to the solicitation:

- Offerors are unable to dedicate the resources necessary to manage a comprehensive maintenance program that spans the entirety of VRE’s service area.
- Offerors are capable of carrying out only a specific segment of the required work and thus are not capable of completing the multitude of tasks required to deliver maintenance services.
- Offerors do not possess the financial resources necessary to complete the work and provide requisite oversight of subcontractors.

Evaluation of the proposals received was performed by the Technical Evaluation Team (TET), which consisted of four VRE staff members.

The TET met to discuss and evaluate the proposals using the following criteria:

- Overall project approach and management plan for Maintenance Services.
▪ Capability and expertise of the proposed company(ies).

▪ Knowledge and qualifications of the Project Manager and proposed key personnel.

▪ Cost for Maintenance Services.

The TET agreed that an Offeror interview was unnecessary, as it was determined the proposal from NVE, Inc. was technically compliant.

NVE, Inc. (as NV Enterprises) performed maintenance services for VRE facilities during the past five years under the current Maintenance Services for VRE Facilities contract.

The Offeror’s proposed pricing is within 0.9% of VRE’s cost estimate for maintenance services. Complete pricing information may not be publicly disclosed until after execution of a contract. VRE staff has certified NVE, Inc.’s price is fair and reasonable based on the cost estimate for this project.

The contract will be for a base period of three years with the option to extend for one additional two-year period.

**Fiscal Impact:**

Funding is provided for in the FY 2018 and FY 2019 operating budgets for facilities routine and non-routine maintenance and repairs. Funding for future years will be included in each proposed annual budget.
Virginia Railway Express  
Operations Board  

Resolution  
9D-04-2018  

Authorization to Execute a Contract and Task Order For  
Maintenance Services for VRE Facilities  

**WHEREAS**, in April 2013, the Operations Board approved a new five-year contract with one base year and four one-year options for Facilities Maintenance Services with NV Enterprises; and,  

**WHEREAS**, the Operations Board subsequently approved execution of each of the four option years for the contract; and,  

**WHEREAS**, the current contract is set to expire on May 19, 2018; and,  

**WHEREAS**, this contract will provide ongoing maintenance services at 18 rail stations, two rail storage yards and headquarters and satellite office spaces; and,  

**WHEREAS**, the Operations Board’s approval of this procurement does not represent its independent assessment of the candidate’s responses to the solicitation or of each step in the procurement process followed by staff; rather, the Operations Board’s action is premised upon its conclusion, after review of the information before it, that the process used by the staff was in accordance with law and that the staff recommendation appears to be reasonable;  

**NOW, THEREFORE, BE IT RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with NVE, Inc. of Herndon, Virginia for Maintenance Services for VRE Facilities in an amount not to exceed $3,525,414 for a base period of three (3) years with the option to extend for one (1) additional two-year period. VRE staff will return to the Operations Board for approval to exercise the two-year option period and associated funding; and,  

**BE IT FURTHER RESOLVED THAT**, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a task order under the Maintenance Services for VRE Facilities contract to NVE, Inc. of Herndon, Virginia for comprehensive on-call services, including miscellaneous repair, installation and inspection services, electrical, lighting, generator and plumbing service and repairs, HVAC service and repairs and elevator service and repairs, in an amount $665,000, plus 5% contingency of $33,250, for a total not to exceed $698,250.

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Resolution 9D-04-2018 continued

Approved this 20th day of April 2018

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Martin Nohe
Chairman

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Maureen Caddigan
Secretary