



Agenda Item No. 2

To: Building and Operating Committee/Committee of the Whole Meeting of April 23, 2009

From: Christian N. Stark, Marine Projects Manager, Ferry Division  
James P. Swindler, Deputy General Manager, Ferry Division  
Celia G. Kupersmith, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO THE AWARD OF CONTRACT NO. 2009-FT-13, HYDRAULIC CONTROL SYSTEM UPGRADE TO THE M.V. SNOHOMISH (NAPA), TO SOUND PROPELLER SYSTEMS LLC, AS A SOLE SOURCE**

**Recommendation**

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to the award of Contract No. 2009-FT-13, *Hydraulic Control System Upgrade to the M.V. Snohomish (Napa)*:

1. Authorize the award of a sole source contract to Sound Propeller Systems LLC, of Seattle, Washington, in the amount of \$135,500, for waterjet hydraulic control system upgrade services on the *M.V. Snohomish (Napa)*; and,
2. Establish a contingency fund in the amount of \$20,000 to cover taxes and unanticipated work,

with the understanding that requisite funds are available in the FY 08/09 Ferry Transit Division Capital Budget.

**Summary**

The *M.V. Snohomish (Napa)* is currently at Dakota Creek Industries undergoing Phase 1 refurbishment work. Prior to placing the *M.V. Snohomish (Napa)* into service, it is desirable to upgrade the hydraulic control system for the vessel's waterjet propulsion system and provide other general maintenance to the main components. A manufacturer-authorized service provider must perform the work because of the training and experience required to service the waterjets, and because only a manufacturer-authorized service provider has access to manufacturer parts that may be needed during the work. Sound Propeller Systems is the only manufacturer-authorized service provider on the west coast of the United States for the vessel's MJP waterjets.

Because there is only a single authorized service provider for the hydraulic control system, this procurement meets the requirement for a sole source procurement as set forth in the District's Procurement Manual and consistent with federal regulations. In addition, State law permits an exception from the competitive bidding requirement when such a process would be unavailing and not in the public agency's best interests. Because of the unique capability of Sound Propeller Systems, the competitive bidding process would serve no useful purpose here.

Sound Propeller Systems has submitted a proposal for the required work. The pricing offered is similar to what the District has paid in the past for similar work on MJP hydraulic control systems and jet maintenance. Staff has therefore determined that the price offered by Sound Propeller Systems is fair and reasonable.

**Fiscal Impact**

This project is included in the FY 08/09 Ferry Transit Division Capital Budget at a total cost of \$11,705,000 and is funded with \$7,955,185 Federal Transit Administration funds, \$1,058,161 State I-Bond funds, and \$2,691,654 District funds (68% FTA/9% State/23% District). This budget includes not only the hydraulic control system work but also the cost to purchase the vessel and the entire refurbishment work, including professional services, materials and furnishings, and the shipyard construction work).