

**GOLDEN GATE BRIDGE, HIGHWAY AND TRANSPORTATION DISTRICT**

**RESOLUTION NO. 2013-099**

**APPROVE ACTIONS RELATIVE TO THE  
AWARD OF CONTRACT NO. 2014-FT-4,  
MAJOR OVERHAUL OF MAIN ENGINES FOR M.S. MARIN,  
TO VALLEY POWER SYSTEMS NORTH, INC.**

October 11, 2013

**WHEREAS**, the Golden Gate Bridge, Highway and Transportation District's (District) ferryboat, the *M.S. Marin*, requires an overhaul of its MTU 12V4000M60 main propulsion engines (MTU engines); and,

**WHEREAS**, the MTU engines are manufactured in Germany by MTU Friedrichshafen GmbH (MTU) and supported by Valley Power Systems North, Inc., (VPSNI) in California; and,

**WHEREAS**, following research, the District has confirmed that MTU factory parts are the only parts available for these engines, as there is no known aftermarket parts manufacturer for these engines; and,

**WHEREAS**, MTU does not allow competition between the factory-authorized distributors, and VPSNI is the only MTU factory-authorized distributor in the District's region for the sale, parts and service of the MTU engines; and,

**WHEREAS**, it is critical that the installation of the parts be performed by a factory-authorized distributorship in order to obtain a warranty on both parts and labor backed by the MTU factory, which will cover the MTU factory parts installed by a factory-certified mechanic from a factory-authorized distributor; and

**WHEREAS**, using a factory-authorized distributor to install the manufacturer's parts significantly reduces economic risk to the District; and,

**WHEREAS**, staff, with concurrence of the District's Attorney, has determined that this procurement meets the requirement for a sole source procurement, as set forth in the District's Procurement Manual, and is consistent with federal regulations; and,

**WHEREAS**, because state law permits an exception from the competitive bidding requirement when such a process would be unavailing and not in a public agency's best interests, and VPSNI is uniquely able to provide the necessary work, a competitive bidding process would serve no useful purpose in this case; and,

**WHEREAS**, staff has determined that the price quoted by VPSNI for the scope of work on the two engines is both fair and reasonable; and,

**RESOLUTION NO. 2013-099**  
**BOARD OF DIRECTORS MEETING OF OCTOBER 11, 2013**  
**PAGE 2**

**WHEREAS**, the project includes not only the rebuilding of the main engines, but also the materials and services to remove and replace the engines from the ferryboat in dry-dock; and,

**WHEREAS**, the project is included in the FY 13/14 Ferry Transit Division Capital Budget, at a total cost of \$1,230,000.00, and is financed with \$984,000.00 (80%) Federal Transit Administration grant funds and \$246,000.00 (20%) District funds; and,

**WHEREAS**, the Building and Operating Committee, at its meeting of October 4, 2013, has so recommended; now, therefore, be it

**RESOLVED** that the Board of Directors (Board) of the Golden Gate Bridge, Highway and Transportation District (District) hereby authorizes the award of Contract No. 2014-FT-1, *Major Overhaul of Main Engines for M.S. Marin*, to Valley Power Systems North, Inc., of San Leandro, CA, on a sole source basis, in the amount of \$624,153.16; and, be it further

**RESOLVED** that the Board hereby establishes a Contingency Fund, in the amount of \$51,846.84, to cover unanticipated items that may be discovered once work commences; and, be it further

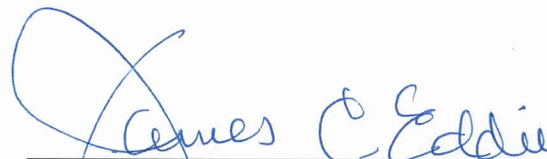
**RESOLVED** that requisite funds are available in the FY 13/14 Ferry Transit Division Capital Budget.

**ADOPTED** this 11<sup>th</sup> day of October 2013, by the following vote of the Board of Directors:

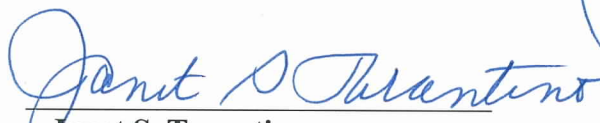
**AYES (15):** Directors Arnold, Belforte, Breed, Cochran, Fredericks, Moylan, Rabbitt, Reilly, Sears, Snyder, Theriault and Yee; Second Vice President Stroeh; First Vice President Grosboll; President Eddie

**NOES (0):** None

**ABSENT (4):** Directors Campos, Pahre, Sobel and Wiener



**James C. Eddie**  
**President, Board of Directors**

**ATTEST:**   
**Janet S. Tarantino**  
**Secretary of the District**