



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...	GENERAL MANAGER ACTION REQ'D: Yes		
DATE: 3/31/2026		6/18/2026	BOARD INITIATED ITEM: No		
Originator/Prepared by: Oscar Delgado Dept: PM/CM - Facilities	General Counsel	Chief Financial Officer	District Secretary	BARC	
Signature/Date: DocuSigned by: <i>Oscar Delgado</i> 036920F5280E9416 6/18/2026	DocuSigned by: <i>Amelia Sandoval-Smit</i> 2528C067C44147D... 6/18/2026 []	Signed by: <i>Monica Borvick-Gonzalez</i> E0FF301694D945B... 6/18/2026 []	DocuSigned by: <i>Robert Franklin</i> AFF4529E1F0D45C... 6/18/2026 []	DocuSigned by: <i>Sylvia Lamb</i> D00DF553389F4A3... 6/18/2026 []	

Single Source Procurement Contract for Wheel Truing Machine Hydraulic Upgrades at ORY, OHY and ODY

PURPOSE:

To obtain Board Authorization, in accordance with Public Contract Code Section 20227, to negotiate and execute a single source Contract with NSH USA for Equipment to service/replace the Hydraulic Power Units and all the hydraulic lines for the existing BART owned and operated NSH USA Corporation wheel truing machines at the Richmond Yard, Daly City Yard and Hayward Yard, for an amount not to exceed \$750,812.

Two thirds vote required.

DISCUSSION:

This procurement and installation is for the replacement of three (3) Hydraulic Power Units and all the flexible and rigid hydraulic lines for the BART owned and operated wheel truing machines ("WTM") at three BART locations: (1) Richmond Yard ("ORY"), (2) Daly City Yard ("ODY"), and (3) Hayward Yard ("OHY"). In addition, worn components will be replaced in all three locations to enhance safety, improve product quality, and extend the lifespan of the WTM's. The equipment is essential to the maintenance of revenue vehicles, and the existing components have reached the end of their service life. The work will be completed approximately one (1) year after award.

Without appropriate wheel truing machines, defective train wheels cannot be reprofiled and railcars must remain out of service until the defective conditions can be corrected. If the machines are not serviced and updated, there is a risk of failure, which would require BART

Rolling Stock and Shops to perform a truck and axle changeout to remove the wheel in order to continue safe operation. With the machines operating properly, wheels can be trued easily on the railcars without the need for extensive axle changeout wheel removal.

Staff has determined that the replacement of the Hydraulic Power Units will extend the life of the WTM's and upgrade functionality and support controls in the user interface, which will allow for improved precision and speed while operating the WTMs. The replacements and repair work can only be done by the original equipment manufacturer ("OEM") who can upgrade the equipment in the most effective, time efficient, and safest way. Proposal pricing below has been held by the contractor since 2025.

Location	Proposal Price	Bond, Services, and Taxes
Daly City Yard	\$230,285	\$17,580
Hayward Yard	\$231,200	\$19,237
Richmond Yard	\$224,555	\$15,956
Total for all locations	\$686,040	\$52,773
Proposal Grand Total	\$738,812	
Contract Reserve	\$12,000	
EDD Grand Total	\$750,812	
(Not to Exceed)		

Pursuant to Public Contract Code Section 20227, the Board may direct the purchase of any supply, equipment, or material without observance of competitive bidding upon a finding by two-thirds of all members of the Board that there is only a single source of procurement and that the purchase is for the sole purpose of duplicating or replacing equipment currently in use. In addition, Federal Transit Administration (FTA) Circular 4220.1F, Chapter VI, subparagraph 3.i(1)(b) states that a recipient of FTA funding can make a single source award under certain circumstances, including "Unique or Innovative Concepts" or where "Patents, Copyrights, or Restricted Data Rights" would preclude competitive award to the recipient.

A single source procurement from NSH USA Corporation would be justified under Section 20227 and the FTA Circular. The parts and services on the NSH USA Wheel Truing Machines are not available from any other source. NSH USA is the Original Equipment Manufacturer with the knowledge and expertise to perform service and replacement of the District's WTM Hydraulic Power Units. NSH USA Corporation is the owner of proprietary equipment and has access to "Restricted Data Rights" to perform this work.

Pursuant to the District's Disadvantaged Business Enterprise ("DBE") Program, the Office of Civil Rights is utilizing DBE-neutral efforts for Single Source Contracts. Therefore, no DBE goal was set for this Contract.

The Office of General Counsel will approve the Contract as to form. The Procurement Department will review the Contract to confirm compliance with the District's procurement standards.

FISCAL IMPACT:

The \$750,812 authorization for Wheel Truing Machine Hydraulic Upgrades contributes to Fiscal Year 2026 - System Reinvestment planned expenditure amount of \$400,129,781.

The table below lists funding assigned since project inception date of 12/11/2024. The referenced project funding information includes funding history against spending authority as well as funds needed to meet this request, by source. Funding in the amount of \$746,700 under Requisition 0000058448 is included in the total project budget for the "WTM Hydraulic Upgrades ORY, OD" – Project ID 15HB004.

Funding Sources				
Project	Project Description	Fund Group	Fund Description	Amount
15HB004	WTM Hydraulic Upgrades ORY, OD	FTA	FTA 5337/SOGR	157,502
15HB004	WTM Hydraulic Upgrades ORY, OD	FTA	FTA 5337/SOGR	600,000
15HB004	WTM Hydraulic Upgrades ORY, OD	BART	Operating to Capital Allocation	245,000
15HB004	WTM Hydraulic Upgrades ORY, OD	BART	Operating to Capital Allocation	39,375
15HB004	WTM Hydraulic Upgrades ORY, OD	BART	Operating to Capital Allocation	150,000
Total Project Funding				1,191,877

As of June 4, 2026, the table below lists the current budget of the project.

Project	Budget	Expense	Encumbrance	Pre-Encumbrance	Available Budget
15HB004	1,191,877	236,134	35,420	746,700	173,624
Total Budget	1,191,877	236,134	35,420	746,700	173,624

The total budget for this project is \$1,191,877. BART has expended \$236,134, committed \$35,420, and reserved \$746,700 for this action (Requisition 58448), leaving an available balance of \$173,624.

This action requires a \$4,112 increase to the reserved amount of \$746,700 (Requisition 58448) from the current available balance, subsequently leaving an available budget of \$169,512.

The Chief Financial Officer certifies that funds are currently available to meet this obligation.

This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves.

ALTERNATIVES:

The Board may elect not to authorize the procurement. In such a case, the District would have to solicit for this equipment and installation in an advertised procurement. However, because this is a proprietary OEM parts with data rights restrictions, competitive bidding is not feasible. Choosing not to proceed with the current procurement will result in reduced and untimely maintenance, which may affect the reliability of the system and cause train delays impacting revenue service. Delaying the procurement will likely increase pricing due to current market conditions and thus impact current project contingency.

RECOMMENDATION:

It is recommended that the Board adopt the following motion:

MOTION:

Pursuant to California Public Contract Code Section 20227, the Board of Directors finds by two-thirds vote that NSH USA Corporation is the single source supplier for the purchase of equipment to service and update the Hydraulic Power Units and all the hydraulic lines for the District's wheel truing machines at the Richmond Yard, Daly City Yard and Hayward Yard.

The General Manager is authorized to negotiate and execute a single source Contract with NSH USA Corporation for an amount not to exceed \$750,812.

Two thirds vote required.