



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		GENERAL MANAGER ACTION REQ'D:	
DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...			
DATE: 12/19/2024 2/6/2025		BOARD INITIATED ITEM: Yes	
Originator/Prepared by: Myra Francisco Dept: M&E Acquisition Support	General Counsel	Controller/Treasurer	District Secretary
DocuSigned by: <i>Myra Francisco</i> 66959154E16A413...	DocuSigned by: <i>Amelia Sandoval</i> 2528C067C44147D...	Signed by: <i>Joseph Brach</i> 7D9A7C6E7348456...	DocuSigned by: <i>Shane Edwards</i> 8128A2EB2F014F3...
Signature/Date: 1/9/2025	1/9/2025 []	1/9/2025 []	1/13/2025 []

Sole Source Agreement No. 6M3748 for Elevator/Escalator Inspection Services

PURPOSE:

To obtain Board authorization for the General Manager to execute sole source Agreement No. 6M3748 with Bureau Veritas National Elevator Inspection Services, Inc. of St. Louis, Missouri for Elevator/Escalator Inspection Services for an amount not to exceed \$750,000.00.

DISCUSSION:

The California Labor Code requires all vertical transportation to be permitted annually, thus requiring annual permit inspections. Bureau Veritas National Elevator Inspection Services, Inc. (Bureau Veritas/NEIS) provides conveyance permit inspections and is the only approved vertical transportation inspection agency outside of the California Department of Industrial Relations (DIR) capable of performing annual permit inspections. Unlike the DIR, Bureau Veritas/NEIS is able to perform permit inspections during off hours and on weekends to reduce the impact to customers, including public transit agencies.

District vertical transportation assets annual permits expire annually and District staff believes the DIR will be unable to keep pace with inspections for the following reasons: the northern California DIR Elevator unit inspection service has a large backlog and minimal staffing to accommodate annual inspections; the DIR Inspectors work only Monday to Friday, day-shift hours only. The District is committed to performing planned maintenance during non-revenue hours to minimize customer inconvenience. Depending on the DIR to provide inspections may put the District at risk of operating conveyances with expired permits. Bureau Veritas/NEIS will provide annual inspections, and they can perform these inspections

at the request and convenience of the District. Bureau Veritas/NEIS can conduct inspections during off peak revenue and non-revenue hours. All District elevators receive an annual inspection and District escalators receive a bi-annual inspection to stay in compliance with State code requirements.

Bureau Veritas/NEIS will conduct annual inspections on all 348 District conveyances and file paperwork with the state of California for the state to issue annual permits to operate. The Agreement is proposed for a base term of three (3) years, with two (2) one-year options exercisable at the District's discretion, for a maximum contract term of five (5) years.

Pursuant to the District's Non-Federal Small Business Program, the District conducted an analysis and determined that there are no certified Small Businesses certified by the California Department of General Services available for proposing this Agreement. Therefore, no Small Business Prime Preference was set for this Agreement.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Agreement are 5.5% for Minority Business Enterprises (MBEs) and 2.8% for Women Business Enterprises (WBEs). Bureau Veritas/NEIS will not be subcontracting any portion of the Work and therefore, the provisions of the District's Non-Discrimination Program for Subcontracting do not apply.

FISCAL IMPACT:

Funding for this Agreement will include the following estimated expenditures:

FY25 (March 1, 2025 - June 30, 2025)	\$ 50,000.00
FY26 (July 1, 2025 - June 30, 2026)	\$150,000.00
FY27 (July 1, 2026 - June 30, 2027)	\$150,000.00
FY28 (July 1, 2027 - June 30, 2028)	\$150,000.00
FY29 (July 1, 2028 - June 30, 2029)	\$150,000.00
FY30 (July 1, 2029 – February 28, 2030)	\$100,000.00
TOTAL	\$750,000.00

The previous cost for this service was \$100,000.00 annually. The Agreement is for an amount not-to-exceed \$450,000.00 over three years, or \$750,000.00 including the two option years. The change in cost is driven by an increase in needed labor costs. The Agreement will be funded by the Facilities Maintenance Operating Budget (Department 0802850 –

Elevator/Escalators, account 680230 – Maintenance, Repair and Other). The budget for subsequent years will be included in the proposed annual operating budget, which is subject to Board approval. This action is not anticipated to have any fiscal impact on unprogrammed District reserves in the current Fiscal Year.

ALTERNATIVES:

The District may conduct a new competitive procurement. However, Bureau Veritas/NEIS has been performing the service for years for the District. A new procurement would lead to substantial duplication of costs and unacceptable delays. Without this Agreement, the District vertical transportation assets would suffer extended permit expiration.

RECOMMENDATION:

It is recommended that the Board adopt the following motion.

MOTION:

That the General Manager is authorized to execute Agreement No. 6M3748 with Bureau Veritas National Elevator Inspection Services, Inc. to provide Elevator/Escalator Inspection Services in an amount not to exceed \$450,000.00 for a base term of three (3) years, pursuant to notification to be issued by the General Manager and subject to compliance with the District's Protest Procedures. The General Manager is also authorized to exercise up to two (2) one-year options for Agreement No. 6M3748 for \$150,000.00 per option, for a maximum term of five (5) years for this Agreement.