



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:		GENERAL MANAGER ACTION REQ'D:		
DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...				
DATE: 12/19/2022		BOARD INITIATED ITEM: No		
3/15/2023				
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Signature/Date: 3/14/2023	3/14/2023	3/14/2023		3/14/2023
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Overhaul of Wheel Truing Machines at Richmond and Daly City Yards

PURPOSE:

To obtain Board Authorization, in accordance with Public Contract Code Section 20227, to negotiate and execute a sole source Contract with NSH USA Stanray (previously Simmons Machine Tool Corp.) for Equipment and Services to overhaul automatic controls for Wheel Truing Machines (WTM) at the Richmond Yard and Daly City Yards, two thirds vote required.

DISCUSSION:

This procurement is for the overhaul of two (2) wheel truing machines, one (1) at Richmond Yard and one (1) at Daly City Yard. The equipment is essential to the maintenance of revenue vehicles as the existing controls are outdated and frequently shut down unexpectedly due to the age of the equipment. The procurement contract will replace the existing automatic controls with new modern equipment and make other repairs. The control stations will be overhauled with new compact Windows 10 based computers, new programable logic controllers, new hardware, and new user interfaces. The work will take approximately one year.

The Wheel Truing Machines are critical to BART operations. Without them, defective wheels cannot be reprofiled and railcars must remain out of service until the defective conditions can be corrected. If the machines are not updated properly and shut down, BART Rolling Stock and Shops will be required to perform an axle changeout and remove the wheel from the axle and press on a new one. With the machines operating properly, wheels can be trued

easily on the railcars.

It has been determined by staff that an overhaul of these machines will not only extend their life but will also upgrade their functionality in order to support changing technologies. The overhaul can only be done by the original equipment manufacturer (OEM) who can upgrade the equipment in the most effective, time efficient, and safest way.

Location	Bid Price/Estimate	Total Including Bond, Services, and Tax
Daly City Yard	\$270,479.00	\$ 273,979.00
Richmond Yard	\$259,812.00	\$ 263,312.00
Total for both locations	\$530,291.00	\$537,291.00
Engineer's Estimate (Two Sites)	\$600,000.00	\$608,000.00
Grand total with reserve (e.g. spare parts, freight)	\$44,000.00	\$652,000.00

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 sole 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.

Here, the parts and services to overhaul the NSH USA Wheel Truing Machines are not available from another source because as the OEM, NSH USA is the only supplier that has the knowledge and expertise to perform the upgrade and replacement of the District's WTM controls. Because such equipment is proprietary to NSH USA, "Restricted Data Rights" would preclude competitive award to a firm other than NSH USA. Thus, a single source/sole source procurement from NSH USA would be justified under Section 20227 and the FTA Circular.

Pursuant to the District's Disadvantaged Business Enterprise ("DBE") Program, the Office of Civil Rights reviewed the scope of work for this Sole Source procurement and determined that there were no DBE subcontracting opportunities; therefore, no DBE participation goal was set for this procurement.

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:

Funding in the amount of \$652,000 for award of Contract No 15HB-203 is included in the total project budget for the Wheel Truing Machine Overhaul, Project Number 15HB003.

The table below lists funding assigned to the referenced project and is included to track funding history against spending authority. Funds needed to meet this request will be expended from the following sources:

Fund	Fund Description	Source	Amount
3614	FTA 5337 CA-2022-200-00 SGR	FEDERAL	800,000
8536	FY 2022 Operating Cap Allocation	INTERNAL	200,000
		Total	\$1,000,000

As of November 22, 2022, \$1,000,000 is the total budget for this project. BART has expended \$0 committed \$0 and reserved \$0 to date. This action will commit \$652,000 leaving an available fund balance of \$348,000 in the fund sources for this project.

The Office of the Controller/Treasurer 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 in an advertised procurement. 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.

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

that NSH USA Stanray is the sole source supplier for the purchase of Equipment and Services to overhaul the District's NSH USA Wheel Truing Machines at the Richmond and Daly City yards. The Board authorizes the General Manager to negotiate and execute a Sole Source Contract with NSH USA Stanray for an amount not to exceed \$652,000.

Two thirds vote required.