



## EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>17 July 2019</i> <i>Theresa M. Povey</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: 4/15/2019		BOARD INITIATED ITEM: Yes		
Originator/Prepared by: Michael Lemon Dept: Maintenance and Engineering <i>Michael Lemon</i> Signature/Date: <i>6/25/2019</i>	General Counsel <i>[Signature]</i> <i>6/25/19</i> [ ]	Controller/Treasurer <i>[Signature]</i> <i>6/25/19</i> [ ]	District Secretary [ ]	BARC <i>[Signature]</i> <i>7.15.2019</i> [ ]

### IFB 9055 O&K Escalator Step Assemblies

**PURPOSE:** To request Board Authorization to award Invitation for Bid ("IFB") No. 9055, to Kone Spares, Moline, Illinois in the amount of \$1,449,907.44 (includes all taxes) for the purchase of O&K Escalator spare inventory.

**DISCUSSION:** The District currently operates 17 O&K street escalators in key locations between Embarcadero and 24th Street Mission stations. While the O&K escalator step assemblies are universal and compatible on all 17 escalators, there are two different step chain model variations. We have 10 O&K escalators that use 20 HDV step chain and 7 that require 25 HDV step chain. Maintenance history has shown the step chain life expectancy on both 20 HDV and 25 HDV to be approximately three (3) years.

Thirteen (13) of these escalators are part of the Phase 1 escalator replacement / renovation contract, staff analyzed the potential number of step chain replacements that would be required over the estimated contract duration. Staff then determined the number of step chain sections required to perform each of the step chain replacements and those quantities were used to establish a five (5) year estimated quantity contract.

Pursuant to the terms of the Districts standard estimated quantity contract, during the term of the Contract the District is required to purchase from the supplier a minimum amount of 50% of the contract bid price. Upon approval of this contract, the General Manager will also have the authority to purchase up to 150% of the contract bid price, subject to availability of funding.



A notice requesting bids was published on November 20, 2018. On the same day, this solicitation was uploaded onto the BART Vendor Portal. Bids were opened on January 9, 2019 and one (1) bid was received.

<b>Bidder</b>	<b>Item Description</b>	<b>Unit Quantity</b>	<b>Unit Price</b>	<b>Total</b>	<b>Grand Total Including 9.25% Sales Tax</b>
Kone Spares Moline, Ill.	O&K Step Assemblies	700 ea.	\$615.00	\$430,500.00	\$470,321.25
	Step Chain 25 HDV 30 Pitch	100 pr.	\$4,289.00	\$428,900.00	\$468,573.25
	Step Chain 25 HDV 3 pitch	60 pr.	\$942.44	\$56,546.40	\$61,776.94
	Step Chain 20 HDV 30 Pitch	100 pr.	\$4,112.00	\$411,200.00	\$449,236.00
				\$1,327,146.40	<b>\$1,449,907.44</b>

Independent cost estimate by BART staff: \$1,350,000.00

The District's Non-Discrimination Program for Subcontracting is not applicable to invitations for Bid (IFB). Accordingly, the Office of Civil Rights did not set Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) Availability Percentages for this IFB.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights set a 5% Small Business Prime Preference for this Contract for Small Businesses certified by the California Department of General Services. The lowest responsive Bidder, Kone Spares, is not a certified Small Business and, therefore, is not eligible for the 5% Small Business Prime Preference.

IFB Delivery Schedule: 5 year, Estimated Quantity Contract, As Required.

**FISCAL IMPACT:** The subject EDD proposes a five year contract at a total cost of \$1,449,907.44 (including all taxes) from 01012020 - 06302025.



Funds will be budgeted in the Maintenance & Engineering operating budget (Dept. 0802850 - M&E Financial Admin, Account 680010 - Inventory Materials Usage) as follows:

<b>Proposed Funding</b>	
FY20	\$289,981.49
FY21	\$289,981.49
FY22	\$289,981.49
FY23	\$289,981.49
FY24	\$289,981.49
<b>TOTAL</b>	<b>\$1,449,907.44</b>

Funding for services in this Fiscal Year are included in the Department's existing operating budget. Funding 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:** Reject all Bids and re-advertise the Contract. This, however, is not likely to result in increased competition or lower prices and could potentially result in excessive extended outages of critical escalators.

**RECOMMENDATION:** It is recommended that the Board adopt the following Motion.

**MOTION:** The General Manager is authorized to award IFB # 9055, an estimated quantity contract, for the purchase of O&K escalator step assemblies and O&K step chain assemblies to Kone Spares, Moline, Ill. for the amount of \$1,449,907.44, including taxes, pursuant to notification to be issued by the General Manager.