

## **EXECUTIVE DECISION DOCUMENT**

GENERAL MANAGER APPROVAL: 6 FEB ZC19	GENERAL MANAGER ACTION REQ'D:		
DATE: 1/10/2019	BOARD INITIATED ITEM: No		
Originator/Prepared by: Cristiano Torresi General-Gounsel Dept: Rolling Stock and Shops Signature/Date: $2/1/19$ $2/24/19$ []	Controller/Treasurer District Secretary BARC Apple District Secretary		

## AWARD OF INVITATION FOR BID NO. 9053, BRAKE LINING, BONDED ASSEMBLY

**PURPOSE**: To obtain Board authorization to award Invitation for Bid (IFB) No. 9053 to Railroad Friction Products Corporation of Maxton, NC., in the amount of \$691,425.00, including applicable sales tax, for the purchase of Brake Lining, Bonded Assemblies.

**DISCUSSION**: The District has 669 revenue vehicles. Each vehicle has four axles and each axle uses two brake linings. Brake linings are a consumable item that must be replaced during preventive maintenance and as such, a spare inventory pool is required to support these replacements.

IFB No. 9053 is a two (2) year estimated quantity contract. Pursuant to the terms of the District's 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 Board approval of this contract, the General Manager will have the authority to purchase up to 150% of the contract Bid price, subject to availability of funding.

A Notice requesting Bids was published and uploaded onto the BART Vendor Portal on October 26, 2018, on the same day this solicitation was uploaded to the BART Vendor Portal. Correspondence was sent to five (5) prospective bidders inviting them to view the solicitation on the Vendor Portal. Bids were opened on December 4, 2018 and two (2) Bids were received:

Bidder	Un	it Price	Quantity	Grand	Total Including 9.75% Sales Tax
<b>Railroad Friction Products Corp</b>	\$	35.00	18,000	\$	691,425.00
Carlisle Brake & Friction	\$	53.12	18,000	<b>\$</b>	1,049,385.60

Independent cost estimate by BART staff: \$750,000.00 including sales tax.

Railroad Friction Products submitted the low bid of \$691,425.00 including sales tax. After review, staff has determined that Railroad Friction Products' bid is responsive and that its bid price is fair and reasonable based upon the independent cost estimate.

The District's Non-Discrimination Program for Subcontracting is not applicable to Invitations for Bid. 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. Railroad Friction Products is not a certified Small Business and, therefore, is not eligible for the 5% Small Business Prime Preference.

**FISCAL IMPACT**: Funding of \$691,425.00 for this procurement will come from Rolling Stock and Shops (RS&S) Inventory Material Usage Account (#680-010) as materials are procured. Funding for FY20 is included in the operating budget of department #0803622. Funding for FY21, will be requested as part of next year's operating budget cycle and is subject to Board approval. The proposed award of this Contract will not result in any operating costs above the current year's adopted budget. This action is not anticipated to have any fiscal impact on unprogrammed District reserves in the current Fiscal Year. Total funding for this contract in the amount not to exceed 150% of \$691,425.00, is based on the following totals by year:

FY20: \$345,712.50 FY21: \$345,712.50

Two Year Total: \$691,425.00

**ALTERNATIVES**: An alternative would be to re-advertise the Contract, which staff believes would not result in a better price or more competition.

**RECOMMENDATION**: Staff recommends that the Board adopt the following motion.

**MOTION**: The General Manager is authorized to award IFB No. 9053 for Brake Lining, Bonded Assembly to Railroad Friction Products for an amount of \$691,425.00 including tax, pursuant to notification to be issued by the General Manager, subject to compliance with the District's Protest Procedure.