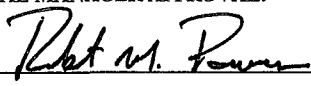
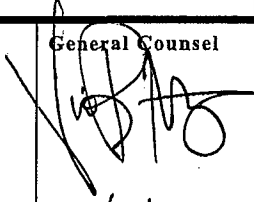
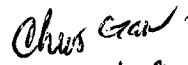
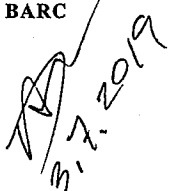
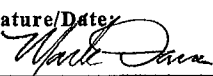




EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:  7 March 2019		GENERAL MANAGER ACTION REQ'D: Approve and forward to the E&O Committee		
DATE: 1/30/2019		BOARD INITIATED ITEM: No		
Originator/Prepared by: Mark Dana Dept: Planning, Development and Construction	General Counsel  3/7/19 []	Controller/Treasurer  3/7/19 []	District Secretary []	BARC  3/7/2019 []
Signature/Date:  3/7/19				

Award Contract No. 15LK-120A Market Street Escalators Renovation Project

PURPOSE:

To obtain Board authorization for the General Manager to Award Contract No. 15LK-120A, Market Street Escalators Renovation Project to Schindler Elevator Corporation (Schindler) for the Bid Price of \$96,478,922 and for the General Manager to be authorized to exercise Option 1 for additional SFMTA escalators.

DISCUSSION:

The existing escalators at station street entrances/exits and to/from station platforms in the four downtown San Francisco Stations of Embarcadero, Montgomery Street, Powell Street, and Civic Center regularly malfunction and currently need replacement. The Proposed Project is intended to upgrade the durability and reliability of escalators to current industry standards while improving safety, security and passengers' experience. The proposed improvements include the installation/replacement of 41 escalators: 23 escalators from the street to Concourse Level, and 18 escalators from the Concourse to Platform Level. The Contract includes an equipment performance preservation requirement for all escalators to demonstrate 96% reliability subject to financial penalty during the duration of the Contract. Bid Option 1 is to install four (4) escalators for San Francisco Municipal Transportation Agency (SFMTA) from the Concourse Level to the SFMTA Platform Level at Embarcadero Station that would be exercised upon request and funding from SFMTA. Bid Option 2 is for the Contractor to provide an additional 24 months of Equipment Performance Preservation services which requires that BART escalators continue to meet reliability requirements for two years following Final Acceptance of the Contract, which Staff is not requesting

authorization to exercise. Numerous public and stakeholder meetings have been conducted by BART and the City and County of San Francisco in connection with the Proposed Project. Input from those meetings has been incorporated into the Contract.

A previous attempt to procure eight escalators at these and other stations in 2016 resulted in receipt of one Bid, which was rejected by the Board of Directors. The Board directed staff to evaluate design revisions that would entice more Contractors to participate in the bidding process and stimulate competitive pricing for escalators. An industry review was conducted. Staff incorporated the industry comments for modifying the BART Facilities Standards design criteria to more closely match American Public Transportation Association (APTA) transit escalator requirements. In addition, the Contract scope is increased, and equipment performance preservation of the escalator units is required during the duration of the Contract.

Advance Notice to Bidders was mailed on October 22, 2018 to 82 firms. The Contract was Advertised on October 24, 2018 and Contract Books were sent to plan rooms. A total of 34 online plan holders downloaded the Bid Documents. A Pre-Bid Meeting was held on November 8, 2018 with a total of six potential Bidders attending. Site tours were held following the Pre-Bid meeting on November 8, 2018. Five (5) Addenda to the Contract were issued. Two (2) Bids were received. Bids were opened publicly on February 5, 2019. Instructions to Bidders specified that Bids will be evaluated on the basis of the Total Bid Price. Tabulation of the Bids, including Options and the Engineer's Estimate, is as follows:

BIDDER/LOCATION	TOTAL BASE BID	OPTION 1	OPTION 2	TOTAL BID PRICE
Schindler Elevator Corporation San Leandro, CA	\$96,478,922	\$6,114,852	\$3,989,136	\$106,582,910
Kone, Inc. Moline, IL	\$119,510,345	\$10,022,252	\$3,001,200	\$132,533,797
Engineer's Estimate	\$151,649,392	\$10,863,365	\$3,963,552	\$166,476,309

Instructions to Bidders specified that Bids will be evaluated on the basis of the Total Bid Price. After review by the District staff, the apparent low Bid submitted by Schindler Elevator Corporation has been determined to be fair and reasonable and is deemed to be

responsive to the solicitation. Both Bids received were significantly lower than the Engineer's Estimate as the Estimate did not place enough weight on the economy of scale realized by packaging a large number of escalators with the equipment performance preservation requirement. Examination of this Bidder's business experience and financial capabilities has resulted in the determination that the Bidder is responsible.

In order to meet the requirements of the California Environmental Quality Act (CEQA), a Draft Initial Study/Mitigated Negative Declaration (IS/MND) was circulated for a 30 day public review on April 30, 2018 that evaluated the impacts associated with the installation of the escalators and for 22 street canopies that will be installed in a separate Contract No. 15LK-140. On June 28, 2018, the Board adopted the IS/MND, the Mitigation Monitoring and Reporting Plan and the Project.

Pursuant to the District's Non-Federal Small Business Program, the Office of Civil Rights set a 6% Local Small Business (LSB) Subcontractor Participation Goal for this Contract. Bidders who meet the LSB Subcontractor Participation Goal are eligible for a LSB Preference of 5% of the lowest responsible Bidder's Bid, up to a cap of \$1.5 Million. Schindler Elevator Corporation committed to subcontracting 6.1% to LSBs. Schindler Elevator Corporation met the LSB Subcontractor Participation Goal and, therefore, is eligible for the 5% Bid Preference. After the application of the 5% Bid Preference, Schindler Elevator Corporation is still the lowest responsive Bidder and, therefore, the application of the Bid Preference will not alter the Award to Schindler Elevator Corporation.

Pursuant to the District's Non-Discrimination Program for Subcontracting, the Availability Percentages for this Contract are 18.2% for Minority Business Enterprises ("MBEs") and 9.3% for Women Business Enterprises ("WBEs"). Schindler Elevator Corporation committed to 51% MBE and 6.9% WBE participation. Schindler Elevator Corporation did not meet the WBE Availability Percentage; therefore, Schindler Elevator Corporation was requested to provide the Office of Civil Rights with supporting documentation to determine if it had discriminated on the basis of gender. Based on the review of the information submitted by Schindler Elevator Corporation, the Office of Civil Rights found no evidence of discrimination.

FISCAL IMPACT:

Funding of \$96,478,922 for Award of Contract No. 15LK-120A is included in the total project budget for 15LK002, San Francisco Escalator Replacement. The Office of Controller/Treasurer certifies that funds are currently available to meet this obligation. The following table depicts funding assigned to the referenced project and is included in totality to track funding history against spending authority. Funds needed to meet this request will be expended from the source as listed:

Measure		Amount
Measure RR		\$ 190,000,000
TOTAL		\$ 190,000,000

As of February 22, 2019, \$190,000,000 is the total budget for this project. BART has expended \$4,308,673, committed \$156,127 and reserved \$0 to date. This action will commit \$96,478,922 leaving an available fund balance of \$89,056,278 balance for this project.

This action is not anticipated to have any fiscal impact on unprogrammed District Reserves.

ALTERNATIVES:

The Board may elect to reject all Bids and authorize staff to re-advertise the Contract. By re-advertising the Contract, this would result in additional cost and time to the District with no assurance that rebidding will result in lower Bid prices.

RECOMMENDATION:

It is recommended that the Board adopt the following motion:

MOTION:

The General Manager is authorized to Award Contract No. 15LK-120A, Market Street Escalators Renovation Project to Schindler Elevator Corporation for the Bid Price of \$96,478,922 subject to the District's protest procedures.

In addition, the General Manager is authorized to exercise Option 1 for \$6,114,852 subject to agreement and funding availability from SFMTA.