



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>3 April 2019</i> <i>Rat M. P...</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: 3/25/2019		BOARD INITIATED ITEM: No		
Originator/Prepared by: Gregory Shivy Dept: Maintenance and Engineering <i>[Signature]</i> Signature/Date: <i>4/2/19</i>	General Counsel <i>[Signature]</i> <i>4/2/19</i> []	Controller/Treasurer <i>Chris Gar</i> <i>4/2/19</i> []	District Secretary []	BARC <i>[Signature]</i> <i>4-2-2019</i> []

To Award Agreement for Ultrasonic Rail Flaw Detection Services

PURPOSE:

To authorize the General Manager to award Agreement No. 6M3388A to Sperry Rail Services Inc., Danbury, CT., to provide Ultrasonic Rail Flaw Detection Testing Services of the District's running rail for a base term of two (2) years with two (2), one (1) year options, for an amount not to exceed \$2,214,000.00.

DISCUSSION:

Current California Public Utilities Commission (CPUC) requirements, District safety standards and industry practice require the running rail to be tested twice per year. Train Control Modernization Project (TCMP) requires an additional test starting year 2, therefore the test will be performed tri-annually after year 1. The ultrasonic process, the present industry standard, can detect extremely small cracks and defects inside the rail. Periodic ultrasonic inspection of the rail identifies and locates potential defects at an early growth stage and allows appropriate action to be taken to enhance safety and minimize damage.

Request for Proposal (RFP) No. 6M3388A was issued seeking a firm to conduct ultrasonic rail flaw detection of BART's running rail.

On October 23, 2018, the District provided Advance Notice to seven (7) Prospective Proposers, including four (4) Plan Rooms. On October 24, 2018, RFP 6M3388A was advertised in several Bay Area newspapers and publications and the RFP documents were posted on the District's Vendor Portal. Five (5) Prospective Proposers downloaded the RFP. A pre-proposal conference was held on November 1, 2018 with attendance by BART staff only. Two (2) proposals were received on November 13, 2018 from the following firms:

1. Sperry Rail Services Inc., Danbury, CT
2. Herzog Services, Inc. Saint Joseph, MO

The two proposals were reviewed by the Source Selection Committee, chaired by Contract Administration and consisting of representatives from Maintenance & Engineering and Office of Civil Rights Departments. The Committee reviewed the technical proposals for compliance with the six (6) minimum technical requirements set forth in the RFP. The Committee determined clarifications were needed. Clarification requests were submitted to both proposers with a due date. The Committee received clarifications from Sperry Rail Inc. which the Committee determined satisfied the six (6) minimum technical requirements. Herzog Services, Inc. did not submit clarifications by the due date requested and was therefore deemed non-responsive.

The Price proposal for Sperry Rail, Inc. was opened and evaluated on December 20, 2018. In accordance with the RFP, the selection is based on the lowest-priced technically acceptable proposal methodology. Price Proposals received are summarized as follows:

PROPOSER	BASE (2) YEARS	OPTION YEARS
Sperry Rail Services Inc., Danbury, CT	\$972,000.00	\$1,242,000.00
Herzog Services, Inc., St. Joseph, MO	Non-Responsive	Non-Responsive

The Engineer's Estimate was \$1,160,026.92, calculated using the rate from the previous contract. Sperry Rail Services, Inc. is the sole technically acceptable proposal. Their \$2,214,000 proposal is above the Engineers' Estimate due to recent increased industry insurance requirements of rail inspection companies.

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 (DGS). It was determined that there were no certified Small Businesses certified by the DGS among the responsive Bidders and, therefore, the Small Business Prime Preference is not applicable.

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). Sperry Rail Services Inc., 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.

The Source Selection Committee determined that the Price Proposal submitted by Sperry, was fair and reasonable and therefore recommends Sperry Rail Services Inc. for award.

FISCAL IMPACT:

This two (2) year Base Agreement with two (2) one (1) year options covers the District's current 270 track miles and the 20 miles eBART extension in Contra Costa County. The funding requirements below reflect the cost per 8-hour shift to perform the required testing that the District plans to have performed by the Firm under this Agreement from 07/01/19 - 06/30/23.

Funding the amount not to exceed \$2,214,000.00 for this two (2) year Base Agreement and two (2) one (1) year options is estimated to come from operating and capital projects.

Operating Projects:

M&E Department 802831, Account 681300	\$1,500,000.00
FY20 \$360,000.00	
FY21 \$360,000.00	
FY22 \$390,000.00	
FY23 \$390,000.00	
eBART Department 807200, Account 681300	\$144,000.00
FY20 \$36,000.00	
FY21 \$36,000.00	
FY22 \$36,000.00	
FY23 \$36,000.00	

Funding the above operating projects for FY20 has been requested in the proposed operating budget of Departments 802831 and 807200, subject to Board approval. Funding in subsequent years from FY21 to FY23 will be requested in future operating budgets of Departments 802831 and 807200, subject to Board Approval. This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves.

Capital Project:

PD&C- Funding Source - Project 49GH001 (TCMP)	\$570,000.00
FY20 \$0.00	
FY21 \$180,000.00	
FY22 \$195,000.00	
FY23 \$195,000.00	

As of March 19, 2019, \$882,000 is the total budget for this project from operating allocations to capital. BART has expended \$78,581, committed \$8,984, and reserved \$93,069 to date. This action will commit \$570,000 leaving \$131,366 available. The Controller-Treasurer certifies that funds are available to meet this obligation. This action is not anticipated to have any Fiscal Impact on unprogrammed District reserves.

ALTERNATIVES:

The District could re-advertise the RFP. However, there is no assurance that new Proposals would be lower than the amount of the current Proposals received.

RECOMMENDATION:

It is recommended that the Board adopt the following motion.

MOTION:

The General Manager is authorized to award Agreement No. 6M3388A to Sperry Rail Services Inc. for Ultrasonic Rail Flaw Detection Testing Services for the two (2) year Base Agreement and two (2) one (1) year options in an amount not to exceed \$2,214,000.00, pursuant to notification to be issued by the General Manager, and subject to compliance with the District's protest procedures.