

## **EXECUTIVE DECISION DOCUMENT**

GENERAL MANAGER APPROVAL:	GENERAL MANAGER ACTION REQ'D:		
DATE: 11/14/2019	BOARD INITIATED ITEM: No		
Originator/Prepared by: Cristiano Torresi General Counsel Dept: Rolling Stock and Shops Signature/Date: 1/25/19 1/25/9 1	Controller/Treasurer District Secretary BARO		

## AWARD INVITATION FOR BID NO. 9076, BEARING ASSEMBLY, TRUCK JOURNAL

PURPOSE: To request Board Authorization to Award Invitation for Bid ("IFB") No. 9076 to Jamaica Bearing Co. Inc., in the amount of \$516,702 (inclusive of all taxes and credits) for the purchase of Bearing Assembly, Truck Journal.

DISCUSSION: Each District revenue vehicle is equipped with four (4) axles and each axle is equipped with two (2) axle bearings. The axle bearings have a serviceable life limit of six (6) years and are scheduled for replacement before the six (6) year life limit is exceeded. Revenue vehicles with axle bearings past their serviceable life must have the bearings replaced before being allowed to return to revenue service. This procurement provides sufficient stock within the District's inventory to support the replacement schedule.

This is a two (2) year estimated quantity contract. Pursuant to the terms of the District's standard estimated quantities contract, during the term of the contract, the District is required to purchase from the supplier a minimum of 50 percent of the contract bid price. Upon Board approval of this contract, the General Manager will also have the authority to purchase up to 150 percent of the contract bid price, subject to availability of funding.

A notice requesting bids was published on September 27th, 2019 and correspondence was sent to eight (8) prospective bidders inviting them to view the solicitation on the Vendor Portal. Bids were opened on November 5th, 2019 and three (3) bids were received.

Bidder	Quantity	Unit Price	Credit	Tax at 9.75%	Total with Tax
Jamaica Bearing	1,200	\$406.00	\$18,000	\$47,502.00	\$516,702.00
Applied Ind. Tech	1,200	\$488.00	\$24,000	\$57,096.00	\$618,696.00
AST Bearings	1,200	\$1,408.55	\$0	\$164,800.35	\$1,855,060.35

Independent Cost Estimate by BART Staff: \$525,483 inclusive of all taxes.

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") or 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 (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.

Staff has determined that Jamaica Bearing submitted a responsive bid. Staff has also determined that the bid pricing is fair and reasonable based upon the Independent Cost Estimate.

FISCAL IMPACT: Funding of \$516,702 for this procurement will initially come from the inventory budget when the materials are procured. Actual expenses will be charged to the Rolling Stock and Shops ("RS&S") Inventory Material Usage Account (#680-010) as materials are used. Funding for the usage in FY20 is included in the operating budget of department #0803623. Funding for subsequent years will be included in the proposed annual operating budget, which is subject to Board approval. The proposed award of this IFB 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 \$ 516,702, is based on the following totals by year:

FY20, \$ 129,175.50 FY21, \$ 258,351.00 FY22, \$ 129,175.50

ALTERNATIVE: The alternative to awarding this Contract would be to reject all bids and readvertise the Contract. Staff does not believe that re-advertising the Contract will result in lower prices. RECOMMENDATION: It is recommended that the Board adopt the following motion.

MOTION: The General Manager is authorized to award IFB No. 9076 for the purchase of Bearing Assembly, Truck Journal to Jamaica Bearing for the Bid price of \$516,702 including tax, pursuant to notification to be issued by the General Manager, subject to compliance with the District's Protest Procedure.