



Board Report

File #: 2024-0442, File Type: Contract

Agenda Number: 30.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE  
OCTOBER 24, 2024**

**SUBJECT: COMMERCIAL AND INDUSTRIAL DOOR REPAIR AND PREVENTIVE  
MAINTENANCE SERVICES**

**ACTION: APPROVE RECOMMENDATION**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 5 to Contract No. OP754160008370 with Steelman Build & Construction Inc., to provide commercial and industrial door repair and preventive maintenance services to exercise option year one in the Not-to-Exceed (NTE) amount of \$560,912, increasing the Total Contract Value from \$1,732,736 to \$2,293,648, and extending the period of performance from January 3, 2025, to January 2, 2026.

**ISSUE**

The current contract’s three-year base term to provide commercial and industrial door repair and preventive maintenance services expires on January 2, 2025. To continue providing these critical services, a contract modification is required to exercise option year one.

**BACKGROUND**

At its September 2021 meeting, the Board authorized the Chief Executive Officer to award a five-year firm fixed unit rate Contract No. OP754160008370, inclusive of two (2) one-year options to Steelman Build & Construction Inc. to provide systemwide commercial and industrial door repair and preventive maintenance services, effective January 3, 2022.

Metro staff are first responders for inoperable doors to ensure there is proper electrical power to the door operator. Once Metro staff verifies there is no issue with the power supplied to the door operator, the contractor will proceed to perform as-needed mechanical and any other repairs for damaged or malfunctioning commercial and industrial doors as they are responsible for under the existing contract. The contractor is also required to provide semi-annual preventative maintenance inspections for roll-up doors and grilles. The proactive preventative maintenance program and timely repair of damaged or malfunctioning doors provided by this contract are necessary to ensure safe operations, accessibility to Metro’s transit system, and timely bus rollouts.

Under the existing contract, Steelman Build & Construction Inc. has provided satisfactory services for

systemwide commercial and industrial door repair and preventive maintenance.

During the three-year base term, services were expanded to include 157 additional doors from Union Station East Portal and Gateway Headquarters Building, previously managed under a separate contract outside Metro Operations. It also included 24 additional doors from the K Line (C/LAX) and Regional Connector expansion projects, for a total of 1,231 doors throughout Metro bus and rail facilities. This consists of 480 steel roll-up doors, 164 glass doors, 59 bi-fold doors, 43 roll-up grilles, 48 sectional doors, 413 fire doors, and 24 counter shutters.

## **DISCUSSION**

Under Modification No. 5, the contractor will continue to provide systemwide commercial and industrial door repair and preventive maintenance service to ensure safe operations and timely service delivery.

The existing contract scope of services will further expand during option year one to include 79 additional commercial and industrial doors with the completion of the Airport Metro Connector project and Section 1 of the D Line/Purple Extension, increasing the total number of doors to be maintained under this contract from 1,231 to 1,310.

## **DETERMINATION OF SAFETY IMPACT**

The approval of this item will ensure safe, timely, and quality commercial and industrial door repair and preventive maintenance services throughout Metro bus and rail facilities.

## **FINANCIAL IMPACT**

The FY25 budget includes funding of \$526,948 under cost center 8370-Facilities Contracted Maintenance Services, account 50308, Service Contract Maintenance, and various projects.

Since this is a multi-year contract, the cost center manager and Deputy Chief Operations Officer of Shared Mobility will be accountable for budgeting costs in future years.

### **Impact to Budget**

Current funding sources for this action include Passenger Fares, Proposition A and C, Measure R and M, as well as State Transit Assistance. These funding sources are eligible for bus and rail operations projects. Using these funding sources maximizes the project funding allocations allowed by approved provisions and guidelines.

## **EQUITY PLATFORM**

This contracted maintenance service will be applied equally to commercial and industrial doors at all Metro divisions, stations, terminals, and locations. While customers have minimal interaction with these commercial and industrial doors, including fire doors, it is imperative that they are maintained to ensure proper operation during an emergency and rider and employee safety.

This contract was solicited as part of the Small Business (SB) Prime (Set-Aside) Program. Steelman Build & Construction Inc., a Metro-certified SBE contractor, made an 86% SBE commitment as the prime contractor. The current level of SBE participation is 98.24%, exceeding the commitment by 12.24%.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

This Board action supports Strategic Goal 5; Provide responsive, accountable, and trustworthy governance within the Metro organization. Performing semi-annual inspections, preventive maintenance inspections, and as-needed repairs to damaged or malfunctioning commercial and industrial doors will extend their useful life, ensure timely bus rollouts, and provide safe and reliable operations system-wide.

### **ALTERNATIVES CONSIDERED**

The Board may elect not to approve this recommendation. This option is not recommended as it would result in a gap in service, severely impacting safety, operations, and accessibility to Metro's system.

With the completion of a financial-based insourcing/outsourcing study based on a quantitative and qualitative assessment, staff has conducted an initial analysis for insourcing/outsourcing options for providing commercial and industrial door repair and preventive maintenance services, amongst other services. Based on the findings, providing commercial and industrial door repair and preventive maintenance services was not recommended for insourcing as this would require Metro to hire dedicated staff to be trained on several types of commercial and industrial doors, the purchase of additional equipment, vehicles, and a significant investment for parts and materials to support the expanded responsibility. The insourcing/outsourcing study assessment results indicate that this is currently not a cost-effective option for Metro.

### **NEXT STEPS**

Upon approval by the Board, staff will execute Contract Modification No. 5 to Contract No. OP754160008370 with Steelman Build & Construction Inc. to provide commercial and industrial door repair and preventive maintenance services effective January 3, 2025.

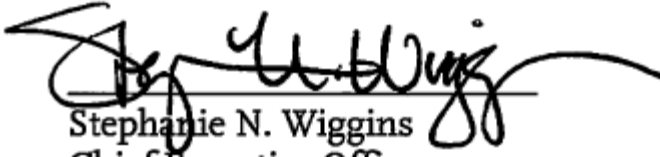
### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary

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Stephanie N. Wiggins  
Chief Executive Officer

## PROCUREMENT SUMMARY

COMMERCIAL AND INDUSTRIAL DOOR REPAIR AND PREVENTATIVE  
MAINTENANCE SERVICES/ OP754160008370

1.	<b>Contract Number:</b> OP754160008370		
2.	<b>Contractor:</b> Steelman Build & Construction		
3.	<b>Mod. Work Description:</b> Exercise One-year Option		
4.	<b>Contract Work Description:</b> Repair and maintenance		
5.	<b>The following data is current as of:</b> 9/12/24		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	9/23/2021	<b>Contract Award Amount:</b> \$1,682,736
	<b>Notice to Proceed (NTP):</b>	1/3/2022	<b>Total of Modifications Approved:</b> \$50,000
	<b>Original Complete Date:</b>	1/2/2025	<b>Pending Modifications (including this action):</b> \$560,912
	<b>Current Est. Complete Date:</b>	1/2/2026	<b>Current Contract Value (with this action):</b> \$2,293,648
7.	<b>Contract Administrator:</b> Ana Rodriguez		<b>Telephone Number:</b> 213-922-1076
8.	<b>Project Manager:</b> Carlos Martinez		<b>Telephone Number:</b> 213-922-6761

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 5. to exercise a one-year option in the Not-to-Exceed (NTE) amount of \$560,912, increasing the total NTE amount from \$1,732,736 to \$2,293,648 and extending the period of performance from January 3, 2025 to January 2, 2026.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a firm fixed unit rate.

On September 23, 2021, Metro's Board of Directors authorized the award of a firm fixed unit rate Contract No. OP754160008370 to Steelman Build & Construction, Inc. to provide commercial and industrial door repair and preventive maintenance services, effective January 3, 2022 inclusive of a three-year base and two, one-year options.

Refer to Attachment B – Contract Modification/Change Order Log

**B. Cost/Price Analysis**

The recommended price of the option has been determined to be fair and reasonable based upon firm fixed unit rates that were evaluated and established as part of the current contract awarded in September of 2021. The contract was awarded as a result of a competitive IFB that included evaluation of the base period and options. The award was made to the lowest responsive, responsible bidder. Approving this option and modification using the firm fixed unit rates already established is in the best interest of Metro as re-soliciting this requirement is expected to result in a higher price for these services. The Contractor has confirmed their rates have increased since 2021, and the rate of inflation in 2022 was 6.8% and 3.4% in 2023, as measured by the Consumer Price Index, which supports the Contractor’s statement that their rates are higher today than three years ago. Exercising the option ensures Metro is paying the lowest possible cost for these services as the services would continue to be provided under the firm fixed unit rates established during the base period of the original contract.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
NTE \$560,912	NTE \$560,912	NTE \$560,912

## CONTRACT MODIFICATION/CHANGE ORDER LOG

COMMERCIAL AND INDUSTRIAL DOOR REPAIR AND PREVENTATIVE  
MAINTENANCE SERVICES/ OP754160008370

<b>Mod. no.</b>	<b>Description</b>	<b>Status (approved or pending)</b>	<b>Date</b>	<b>\$ Amount</b>
1	Addition of locations	Approved	2/7/22	\$0
2	Addition and deletion of locations	Approved	3/27/23	\$0
3	Addition of Preventative Maintenance Inspections and Addition of 1 subcontractor	Approved	2/5/24	\$50,000
4	<b>Exercise Option 1 and extend Period of Performance through January 3, 2024</b>	<b>Pending</b>	<b>9/12/24</b>	<b>\$560,912</b>
	<b>Modification Total:</b>			<b>\$610,912</b>
	<b>Original Contract:</b>			<b>\$1,682,736</b>
	<b>Total:</b>			<b>\$2,293,648</b>

**DEOD SUMMARY**

**COMMERCIAL AND INDUSTRIAL DOOR REPAIR AND PREVENTIVE MAINTENANCE SERVICES/OP754160008370**

**A. Small Business Participation**

Steelman Build & Construction, a Small Business (SB) Prime, made an 86.00% Small Business Enterprise (SBE) commitment. The project is 68% complete and the current SBE participation is 98.24%, exceeding the commitment by 12.24%.

<b>Small Business Commitment</b>	<b>86.00% SBE</b>	<b>Small Business Participation</b>	<b>98.24% SBE</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Steelman Build & Construction (SBE Prime)	86.00%	95.59%
2.	LAX Equipment	Added	2.65%
	<b>Total</b>	<b>86.00</b>	<b>98.24%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this modification. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.



# **Commercial and Industrial Door Repair & Preventative Maintenance Services**



**Metro**

# Recommendation

- Authorize the Chief Executive Officer to execute Contract Modification No. 5 to Contract No. OP754160008370 with Steelman Build & Construction Inc., for Commercial and Industrial Door Repair and Preventive Maintenance Services to:
  - Exercise option year one in the Not-To-Exceed (NTE) amount of \$560,912,
  - Increase the total contract NTE amount from \$1,732,736 to \$2,293,648, including the three-year base period
  - Extend the period of performance from January 3, 2025, to January 2, 2026
- The existing contract's three-year base term expires on January 2, 2024

# Summary

- Under the existing contract's three-year base term
  - ✓ The contractor has been providing satisfactory services
  - ✓ The contractor's responsibilities have expanded to include locations maintained by others and expansion projects at:
    - Gateway Headquarters Building & Union Station East Portal
    - K Line (C/LAX)
    - Regional Connector
- During the option year one, responsibilities will further expand to include:
  - ✓ Airport Metro Connector (AMC)
  - ✓ Metro D Line (Purple) Extension Phase I

# Before and After Pictures



BEFORE



AFTER

METRO CMF BLDG 4, BAY 5