To: Chairman Cook and the VRE Operations Board

From: Doug Allen

Date: November 20, 2015

Re: Authorization to Issue an Invitation for Bids for the Purchase of Station Elevators

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for the purchase of up to 28 elevators at VRE stations over the next five years.

Background:

Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made on the basis of price alone without discussions or negotiations with the Bidders.

The adopted VRE System Plan 2040 calls for improvements to VRE passenger stations to add operational flexibility and capacity. Second platforms, which will have a grade-separated crossing to, from, and between platforms, and new parking garages will increase the number of elevators for which VRE is responsible. VRE is currently responsible for the operation and maintenance of seven elevators at stations and parking garages. The current draft VRE six-year Capital Improvement Plan suggests that VRE will place orders for about 26 new elevators in the next five years.
Reliable elevator operations are a vital component of VRE’s customer service mission at many stations. There are two ways to achieve reliability: install twice as many elevators as needed so that one elevator will always be available, or address elevator maintenance through a proactive, lifecycle-based program that reduces in-service failures to virtually zero. The former approach increases capital and operating expense and results in a footprint for elevator towers that exceeds the area available at most stations. Therefore, the latter approach is recommended for VRE.

In 2014, VRE commissioned Michael Baker Jr., Inc., to review VRE elevator needs and identify a combination of procurement specifications and augmented maintenance standards to cost-effectively achieve the level of reliability required by VRE. One key element identified to achieving that level of reliability was establishing a consistent pool of elevator equipment in order to permit standardization and predictability of maintenance practices with the goal of eliminating in-service failures. The alternative, continuing the present practice of acquiring elevators on a project-by-project basis, would result in elevators from a number of different manufactures, which would add a level of complexity to maintenance that would prohibit establishment of standardized and predictable practices, and thereby reducing reliability.

For that reason VRE intends to award one Contract for a base order of five elevators with an option to purchase up to a total of 28 elevators. The scope of work for the IFB includes elevators, spare parts, and maintenance materials. Bidders will be given one-year’s notice to deliver completed elevators along with associated parts, materials, and equipment.

Upon receipt of the bids, staff will return to the Board for authorization to award the contract.

**Fiscal Impact:**

There is no fiscal impact for issuing this Invitation for Bids. Funding for the purchase of elevators will be drawn from the budget of specific station projects included in VRE’s Capital Improvement Program as they enter the construction phase of project development.
Virginia Railway Express
Operations Board

Resolution
8B-11-2015

Authorization to Issue an Invitation for Bids for the Purchase of Station Elevators

WHEREAS, VRE seeks to provide its customers with the safest and most reliable level of service; and,

WHEREAS, elevator reliability is a vital component to maintaining reliable access to, from, and between station platforms that will increase in importance with the implementation of the VRE System Plan 2040, adopted by the VRE Operations Board in January 2014; and,

WHEREAS, VRE anticipates placing orders for 26 or more elevators over the next five years in accordance with the draft VRE Capital Improvement Plan; and,

WHEREAS, consistency in design and manufacture, in conjunction with a proactive program of lifecycle-based maintenance, has been identified as a key factor influencing the achievement of high elevator reliability and reduction of in-service failures;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids for the purchase of up to 28 elevators at VRE stations over the next five years.

Approved this 20th day of November 2015

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John C. Cook
Chairman

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Paul Smedberg
Secretary