

PROCUREMENT SUMMARY

COMMERCIAL AND INDUSTRIAL DOOR REPAIR AND PREVENTATIVE
MAINTENANCE SERVICES/ OP754160008370

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

Proposal Amount	Metro ICE	Negotiated Amount
NTE \$560,912	NTE \$560,912	NTE \$560,912