



ITEM ID: 2025-334-0

TRANSMITTAL DATE: October 17, 2025

MEETING DATE: October 24, 2025

TO: Board of Directors

FROM: Donald Filippi, Chief Operating Officer

SUBJECT: Single Source Purchase Order No. EP248-26 - 20-Ton Rail Jacks for ZEMU - Recommendation to Award - BBM Railway Equipment, LLC

Issue

The Authority requires a set of 20-ton portable jacks to accommodate the new Stadler Zero Emission Multiple Unit (ZEMU). The current jacks at Arrow Maintenance Facility are rated for 15-tons and were procured for the Stadler Diesel Multiple Unit (DMU) vehicles that SBCTA procured. The new ZEMU vehicle is heavier than the DMU and requires higher rated jacks for support.

Recommendation

Contracts, Operations, Maintenance, and Safety Committee recommended (3-0) the Board authorize the Chief Executive Officer to negotiate and award the purchase of one set of 12 20-ton jacks, plus one spare to BBM Railway Equipment, LLC for a total not-to-exceed amount of \$591,611.96.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. The new jacks will support vehicle maintenance for both the ZEMU and the DMUs at AMF to perform required preventative and corrective maintenance.

Background

On December 2024, an on-call Work Directive (WD) RFP was issued to Stadler US, Inc. under contract MS337-25, to procure portable jacks on the Authority's behalf. The WD RFP was issued to Stadler requesting a cost proposal by January 13, 2025. After a 6-month delay and several follow-ups by staff, Stadler obtained four quotes and provided a cost proposal on June 5, with a 20% profit markup. After several negotiation meetings between the Authority and Stadler, the profit markup was lowered, with 15% being the lowest profit margin that Stadler was willing to accept for this or any future on-call requests. SBCTA, who funds this contract, did not accept Stadler's 15% profit markup. Staff raised concerns about a prohibited "cost plus percentage of cost" approach and creating a precedent of excessive profit for future requests.

Of the four quotes that Stadler provided, two are above the budget available for the lift jacks. The lowest bid received is from RailQuip, Inc., the firm that provided the current jacks to the Authority and has demonstrated continued deficiencies providing support services and maintenance for the jacks already in-service. Support is also impacted by long lead time and high delivery costs for spare parts from Europe. Therefore, staff does not recommend procuring additional lift jacks from this vendor.

Discussion

To maintain and repair the heavier newly acquired Stadler ZEMU vehicles, higher capacity jacks are required. ZEMU vehicles weigh 123.6 tons compared to DMU's 114-ton weight, which requires a minimum of 18-ton jacks instead of the 15-ton currently in service. The proposed 20-ton jacks will accommodate heavier ZEMU train sets with additional 2-ton capacity for safety. The procurement includes a set of 12 jacks, a control panel, and one additional spare jack.

Separate approval will be obtained by SBCTA to authorize disposal of the old jacks at a surplus auction.

Due to the delay in the process the Authority is requesting a single-source approval to expedite delivery of the jack set to meet service requirements for the ZEMU. There are only a handful of vendors capable of delivering jacks to the Authority within the available budget and dimensions required. The Authority is recommending BBM Railway Equipment, LLC because of its established US presence and availability of post-delivery support. Aside from the current supplier of jacks, other vendors are priced substantially higher than BBM.

Below is a summary of quotes received for jack vendors:

Supplier	Quoted Price
RailQuip, Inc.	\$529,437.50
BBM Railway Equipment LLC	\$544,000
Whiting Corporation	\$818,085
Garcia Machinery	\$1,116,000
Stadler WD Price Proposal	\$654,615.26 (20% profit)
Stadler WD Price Proposal	\$627,339.63 (15% profit, post-negotiation)

Budget Impact

The amounts for which contract authority is requested are included in the Adopted Arrow Capital Budgets for FY2025 (\$591,611.96).

Next Steps

Upon Board approval, staff will negotiate a single source agreement with BBM Railway Equipment, LLC. Upon successful completion of the negotiations, the Authority will issue Purchase Order EP248-26 for a total not-to-exceed amount of \$591,611.96, which includes sales tax.

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Approved by: Donald Filippi, Chief Operating Officer