

PROCUREMENT SUMMARY

P3010 LIGHT RAIL VEHICLE

1.	Contract Number: P3010		
2.	Contractor: Kinkisharyo, International LLC		
3.	Mod. Work Description: The Contractor will perform configuration changes to the 157 Option LRVs that were performed on the 78 Base LRVs to maintain vehicle configuration consistency. These configurations changes are: a) RFC No. 7 – Relocation of Sandbox for \$2,551,782.56 b) RFC No. 19 – Addition of Reflective Decals for \$1,123,644.61		
4.	Contract Work Description: New Light Rail Vehicles		
5.	The following data is current as of: 5/2018		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	4/2012	Contract Award Amount: \$890,142,275, inclusive of Options 1 through 4.
	Notice to Proceed (NTP):	8/2012	Total of Modifications Approved: 31
	Original Complete Date:	2/2017 (Base only)	Pending Modifications (including this action): 1
	Current Est. Complete Date:	6/2021 (including Options)	Current Contract Value (with this action): \$924,640,269.36
7.	Contract Administrator: Wayne Okubo		Telephone Number: (213) 922-7466
8.	Project Manager: Jason Yaw		Telephone Number: (213) 922-3325

A. Procurement Background

This Board Action is to approve Modification No. 32 to Contract No. P3010 for vehicle configuration changes on the 157 Option light rail vehicles.

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

In April 2012, Contract No. P3010 was awarded to Kinkisharyo International LLC. (KI) in the firm fixed price amount of \$299,061,827 for the manufacturing and delivery of 78 light rail vehicles (LRV) for the base contract buy. The Board also authorized the CEO to negotiate and award up to four Contract Options totaling \$591,080,448 for up to 157 additional LRVs. These four options were executed in August 14, 2013 (Option 1 and 4) and July 31, 2015 (Option 2 and 3).

This Contract Modification is to enable KI to perform configuration changes to the 157 Option LRVs that were performed on the 78 Base LRVs to maintain vehicle configuration consistency.

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based upon MAS audit, independent cost estimates, cost analysis, technical evaluation, fact finding, and negotiations.

RFC No. 7. The Metro ICE underestimated values for installation labor and materials resulting in a 52% differential in the negotiated price. The additional labor and material costs incurred by the KI were supported by additional Contractor documentation and corroborating technical analysis.

	Proposal Amount	Metro ICE	Negotiated Amount
RFC 7	\$2,744,457	\$1,670,480	\$2,551,783
RFC 19	\$1,175,836	\$1,263,945	\$1,123,644
TOTAL	\$3,920,293	\$2,934,425	\$3,675,427