

PROCUREMENT SUMMARY

**HR5000 HEAVY RAIL VEHICLE ACQUISITION CONSULTANT SUPPORT
SERVICES/CONTRACT NUMBER PS117580001**

1.	Contract Number: PS117580001 and PS117580002	
2.	Recommended Vendors: Hatch for Element A; Atkins for Element B	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued : 11/09/23	
	B. Advertised/Publicized: 11/09/23	
	C. Pre-Proposal Conference: 11/27/23	
	D. Proposals Due: 12/15/23	
	E. Pre-Qualification Completed: 01/23/24	
	F. Conflict of Interest Form Submitted to Ethics: 12/18/23	
	G. Protest Period End Date: 11/20/23	
5.	Solicitations Picked up/Downloaded: 33	Bids/Proposals Received: Element A – 1 Element B – 2
6.	Contract Administrator: Mildred Martinez	Telephone Number: 213-922-4753
7.	Project Manager: Annie Yang	Telephone Number: 213-922-3254

A. Procurement Background

This Board Action is to approve Contract No. PS117580001 for technical consulting services and Contract No. PS117580002 for program management consulting services, both in support of the HR5000 Heavy Rail Vehicle Program, subject to resolution of any properly submitted protest(s), if any.

Element A - The recommended consultant for Element A (Contract No. PS117580001) will provide technical and engineering assistance to Metro staff to ensure the successful manufacturing and timely delivery of 182 Heavy Rail Vehicles (HRVs) for use on Metro's existing heavy rail lines and anticipated line extensions. The recommended consultant will provide technical and engineering oversight of Hyundai Rotem Company (the vehicle contractor), to ensure that performance is consistent with the contractual requirements for the HR5000 HRV. The scope of services includes, but is not limited to: document control, drawing review, technical submittals and samples review, supporting Project Reviews (e.g. Operations, Maintenance, and Equipment manuals), testing and inspection activity oversight (First Article Inspections), and other technical support services as directed by Metro.

Element B - The recommended consultant for Element B (Contract No. PS117580002) will provide program management support to Metro staff to ensure the successful manufacturing and delivery of 182 HRVs for use on Metro's existing heavy rail lines and anticipated line extensions. The recommended consultant will provide professional consulting services in support of Metro's Project Manager and

staff for delivery management services of Hyundai Rotem Company (the vehicle contractor), to ensure that performance is consistent with the contractual requirements for the HR5000 HRV. The scope of services includes, but is not limited to: schedule adherence and variance tracking, commissioning site vehicle inspection, Reliability Demonstration Test (RDT) Program, Buy America Audit, safety certification, contract administration, and other program management support services as directed by Metro.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a cost reimbursable plus fixed fee. The RFP provides for a separate contract award for each Element. Proposers were only allowed to submit proposals for either Element A or Element B, not both.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 30, 2023 revised Letter of Invitation and Proposal Requirements/Forms 1.1 General Format.
- Amendment No. 2, issued on February 23, 2024 revised the DEOD language.

A total of three (3) proposals were received on December 15, 2023. Element A received only one proposal by Hatch Associates Consultants Inc. (Hatch). Element B received two proposals, one from AtkinsRealis USA Inc. (Atkins) and one from Jacobs Engineering Group Inc. (Jacobs).

Metro staff conducted a market survey of the firms on the planholder's list to determine why no other proposals were submitted for Element A – Technical Support. Survey responses were received from 3 firms and included not having enough staff in the Los Angeles area to participate, not being able to meet the solicitation requirements, and not having the capacity to provide the services as a prime contractor.

The market survey revealed that the decisions not to propose were based on individual business considerations. The scope of services provided an opportunity for firms to submit proposals for consultancy based on their years of experience and availability of technical staff in support of rail vehicle acquisition. Therefore, the solicitation was determined not restrictive and can be awarded as a competitive award.

B. Evaluation of Proposal of Element A - Technical Support

The Proposal Evaluation Team (PET) consisting of qualified staff from Rail Vehicle Acquisition was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal for Element A was evaluated to determine the firm's ability to meet the following minimum qualifications on a pass/fail basis:

- Ten years of experience as a Prime consultant providing administrative and technical consulting services during the post award, design, production and delivery periods for a large public transit agency acquiring heavy rail vehicles.
- Demonstrated industry experience as a Prime consultant performing similar work on at least three (3) projects of similar size and scope during the period from 2008 to the present. Consultant shall provide list of all major clients who have utilized the Consultant's services during this period. For each client listed Consultant shall provide contact name, phone number and email address.

The PET focused their evaluations on the "Key" project team members' historical experience and qualifications in similar rail vehicle projects, and the amount of time allocated to the Project. These Key positions include the Project Manager, Systems Integrator Engineer, Quality Assurance Engineer, and Commissioning/Acceptance Engineer. The PET also evaluated the proposed team of rail engineers and their respective qualifications in the various rail vehicle system disciplines.

After reviewing the proposal, staff determined that the proposer met the minimum qualifications.

The proposal was then evaluated based on the following evaluation criteria and points available:

The Firm's Degree of Skill and Experience	30 points
Staff Quality of Technical Expertise	20 points
Understanding of Work and Appropriateness of Approach for Implementation	30 points
Cost Proposal	20 points
Total Points Available:	100 points

The evaluation criteria are appropriate and consistent with criteria developed for other, similar consultant support services procurements. Several factors were

considered when developing these weights, giving the greatest importance to the firm's degree of skills and experience and their understanding of the work and appropriateness of approach for implementation.

On January 17, 2024, Hatch gave an oral presentation to Metro which included their approach to project implementation. They also responded to Metro's clarification requests. The PET evaluated Hatch's degree of skills and experience, proposed staff's qualifications and technical expertise, and how well the firm understood the work and its approach to project implementation. Hatch provided satisfactory responses to Metro's clarification requests at the oral interview. Discussions and negotiations were conducted Thursday, February 8, 2024 to review the proposal comments, price proposal, next steps in the procurement schedule, and exceptions and deviations.

A Best and Final Offer (BAFO) request was issued on Friday, February 9, 2024. The firm's BAFO proposal was received on Tuesday, February 20, 2024. Final evaluation and discussion of the BAFO submittal was held on Thursday, February 22, 2024, and used as the basis of the recommendation for award.

1. Qualifications Summary of the Proposer

Hatch Associates Consultants Inc.

Hatch provided technical oversight consultant services during the original design and construction of the P2550 Light Rail Vehicles (LRVs) as well as assessed the P2550 fleet condition in 2016. Recently, Hatch provided consultant support services to upgrade the P2550 propulsion controls and auxiliary power units. In addition, Hatch is currently providing consultant support services to Metro's HR4000 Heavy Rail Vehicle (HRV) Contract and the A650 HRV and P2550 LRV Overhaul Contracts.

1	Firm	Average Score	Factor Weight	Weighted Score	Rank
2	Firm 1- Hatch				
3	The Firm's Degree of Skills and Experience	88.33	30.00%	26.50	
4	Staff Quality of Technical Expertise	88.67	20.00%	17.73	
5	Understanding of Work and Appropriateness of Approach for Implementation	88.33	30.00%	26.50	
6	Cost Proposal		20.00%	20.00	
7	Total		100.00%	90.73	1

C. Cost Analysis of Element A - Technical Support

The proposed price has been determined to be fair and reasonable based upon price analysis, an Independent Cost Estimate (ICE), and negotiations. A price analysis is sufficient for this recommendation because the single offer was submitted in a competitive environment and the negotiated price is within a reasonable range of the ICE. Although there is a 9% difference between the negotiated price and the ICE, the price analysis revealed that the ICE was developed for a typical new HRV delivery schedule and did not account for the aggressive schedule required for the HR5000 contract. The additional consultant labor needed to support the accelerated HR5000 was estimated at \$2,639,573.27, representing a twelve percent (12%) labor increase. The additional labor factor combined with the ICE is \$23,810,903.62, which is higher than the negotiated amount. The price analysis considered this additional cost element in conjunction with the ICE to make the determination that the negotiated amount is fair and reasonable.

	Proposer Name	Proposal Amount (Base + 1 Option)	Metro ICE (Base + Option 1)	Negotiated or NTE amount
1.	Hatch	\$24,298,756.64	\$21,171,330.35	\$23,072,507.51

The RFP for technical consulting services contained work elements that could be exercised as an option. The Option 1 element consists of technical consulting services for the HR5000 Option 1 – 50 Heavy Rail Vehicles (HRVs) and PF-7 Alternate Technology, if exercised.

D. Background on Recommended Contractor of Element A – Technical Support

The recommended firm, Hatch Associates Consultants Inc., is the North American market leader in supporting the procurement of heavy rail and rapid transit cars. It is noteworthy that Hatch currently provides technical oversight of the HR4000 project, which will ensure continuity and improvement on the HR5000 program with similar vehicle design, features, and functions. Hatch also brings additional resources through its merger with LTK Consulting Services, Inc., back in November 2020. Within the infrastructure sector, LTK brings 100 years of exceptional service and technical expertise to their clients in the rail industry, which will complement Hatch's existing capabilities in transportation and logistics, urban solutions, and water.

Hatch engineering expertise include areas such as rail vehicle engineering, transit systems engineering, revenue systems and technology, rail corridor development, zero-emissions planning, operations planning and simulations, optimization, systems assurance, intercity and high-speed, and transit advisory services. Hatch's US business operations are headquartered in Pittsburgh, PA and encompass 23 additional offices, including Ambler, PA, which is home to their Transit Business Unit. Hatch's most recent rail vehicle support services Contracts include consulting services for Metro's P3010 New LRV procurement and HR4000 New Heavy Rail Vehicle procurement. For the HR5000 consulting project, their Los Angeles office will be their primary office.

E. Evaluation of Proposals of Element B – Program Management Support

The Proposal Evaluation Team (PET) consisting of qualified staff from Rail Vehicle Acquisition was convened and conducted a comprehensive technical evaluation of the proposals received:

1. AtkinsRealis USA Inc. (Atkins)
2. Jacobs Engineering Group Inc. (Jacobs)

The two Proposals were evaluated to determine each firm's ability to meet the following minimum qualifications on a pass/fail basis:

- Fifteen years of experience as a Prime consultant providing program management consulting services during the post award, production and delivery periods for a large public transit agency acquiring heavy rail vehicles.

- Demonstrated industry experience as a Prime consultant performing similar work on at least three (3) projects of similar size and scope during the period from 2008 to the present. Ability to provide qualified staff resources in support of Agency rail vehicle acquisition programs. Consultant shall provide list of all major clients who have utilized the Consultant's services during this period. For each client listed Consultant shall provide contact name, phone number and email address.

The PET focused their evaluations on the “Key” project team members’ historical experience and qualifications in managing similar rail vehicle projects, and the amount of time allocated to the Project. These Key positions include the Senior Vehicle Acquisition Specialist, Senior Systems Engineer, Senior Schedule Analyst, and Senior Inspector. The PET also evaluated the proposed administrative team of contract administrators and administrative staff and their qualifications in the various disciplines.

After reviewing each proposal, staff determined that both proposers met the minimum qualifications. Proposals were then evaluated based on the following evaluation criteria and weights:

The Firm’s Degree of Skill and Experience	30 points
Staff Quality of Technical Expertise	20 points
Understanding of Work and Appropriateness of Approach for Implementation	30 points
Cost Proposal	20 points
Total Points Possible:	100 points

The evaluation criteria are appropriate and consistent with criteria developed for other, similar consultant support services procurements. Several factors were considered when developing these weights, giving the greatest importance to the firm’s degree of skills and experience and their understanding of work and appropriateness of approach for implementation.

On January 19, 2024, each proposer, Atkins and Jacobs, gave oral presentations to Metro and described their approach to project implementation and to respond to Metro’s clarification requests. The PET evaluated Atkins’ and Jacobs’ degree of skill and experience, proposed staff qualifications, technical expertise and how each firm understood the work and its approach to project implementation. Both firms provided satisfactory responses to Metro’s clarification requests at the oral interview. Discussions and negotiations were conducted with Atkins on Thursday, February 8, 2024 and with Jacobs on Friday, February 9, 2024 to review the proposal

comments, price proposal, next steps in the procurement schedule, and exceptions and deviations.

A Best and Final Offer (BAFO) request was issued on Friday, February 9, 2024. Subsequently, a second round of BAFO was issued on Friday, February 23, 2024. BAFO proposals for both firms were received on Tuesday, February 20, 2024 and Tuesday, February 27, 2024. Final evaluations and discussion of the BAFO submittals were held on Thursday, February 22, 2024 and Wednesday, February 28, 2024 (for the second BAFO). The second BAFO submittal was used as the basis of the recommendation for award.

1. Qualifications Summary of the Proposers:

AtkinsRealis USA Inc (Atkins)

Atkins provided program management and technical consulting support for the Purple Line for Maryland Transit Administration (MTA), Heavy Rail Vehicles for Denver Transit Partners (DTP), MPM-10 Subway Cars for Société de Transport de Montreal (STM), OC Streetcars for the Orange County Transportation Authority (OCTA), and Locomotives and Multi-Level Passenger Cars for Southeastern Pennsylvania Transportation Authority (SEPTA). Atkins also provided consultancy for the procurement of Hyundai Rotem vehicles for the Denver Eagle Heavy Rail and Canada Line Metro projects.

Jacobs Engineering Group, Inc. (Jacobs)

Jacobs is currently providing technical support services, as a subcontractor for Metro's HR4000 project for 64 cars, P2000 overhaul, P2550 overhaul, and P3010 Light Rail Vehicle (LRV) acquisition. Jacobs' history of providing consulting services for Metro started with the A650 Heavy Rail Vehicle (HRV) acquisition. Jacobs is also providing technical and managerial support for the New York City Transit R211HRV Acquisition project for 1175 (437 options) cars. Lastly, Jacobs completed their lead consultant work on the Bay Area Rapid Transit, D&E Series HRV Acquisition for 404 cars.

1	Firm	Average Score	Factor Weight	Weighted Score	Rank
2	Firm 1- Atkins				
3	The Firm's Degree of Skills and Experience	80.50	30.00%	24.15	
4	Staff Quality of Technical Expertise	78.83	20.00%	15.77	
5	Understanding of Work and Appropriateness of Approach for Implementation	77.17	30.00%	23.15	
6	Cost Proposal		20.00%	16.18	
7	Total		100.00%	79.25	1

1	Firm	Average Score	Factor Weight	Weighted Score	Rank
2	Firm 2- Jacobs				
3	The Firm's Degree of Skills and Experience	72.67	30.00%	21.80	
4	Staff Quality of Technical Expertise	68.33	20.00%	13.67	
5	Understanding of Work and Appropriateness of Approach for Implementation	66.67	30.00%	20.00	
6	Cost Proposal		20.00%	20.00	
7	Total		100.00%	75.47	2

F. Cost Analysis of Element B – Program Management Support

The proposed prices have been determined to be fair and reasonable based upon price analysis, an Independent Cost Estimate (ICE), and negotiations. A price analysis is sufficient for this recommendation because there is adequate competition for Element B and the negotiated price from the highest rated Proposer is within a reasonable range of the ICE. The negotiated amount from the highest rated Proposer is \$11,263,545.59. This amount represents a difference of sixteen percent (16%) between the negotiated amount and the ICE. The ICE for Element B was developed similarly to Element A and was structured for a typical new HRV delivery schedule. This ICE for Element B did not account for the aggressive schedule required for the HR5000 contract. The additional consultant labor needed to support the accelerated HR5000 schedule was estimated at

\$957,121.41, representing a ten percent (10%) labor increase for this Element. The additional labor factor combined with the ICE totals \$10,618,932.85, bringing the difference from the highest rated Proposer's negotiated amount to six percent (6%). The price analysis considered this additional cost element in conjunction with the ICE to make the determination that the negotiated amount from the highest rated Proposer is fair and reasonable.

	Proposer Name	Proposal Amount	Metro ICE (Base + Option 1)	Negotiated or NTE amount
1.	Atkins	\$12,514,395.44	\$9,661,811.44	\$11,263,545.59
2.	Jacobs	\$9,573,563.31	\$9,661,811.44	\$9,110,625.97

The RFP for program management consulting services contained work elements that could be exercised as an option. The Option 1 element consists of program management consulting services for the HR5000 Option 1 – 50 Heavy Rail Vehicles (HRVs) and PF-7 Alternate Technology, if exercised.

G. Background on Recommended Contractor of Element B – Program Management Support

The recommended firm, AtkinsRealis USA Inc. (Atkins) was founded in 1960 and is considered a world-leading engineering, design, and project management services provider across sectors which include rail and transit, ports, airports, highways, and power. They are one of the largest engineering, procurement, and construction companies with over 37,000 employees worldwide, and offices in over 160 countries. They have proven their ability to provide comprehensive services across the full life cycle of procurement programs for all equipment types including heavy rail, light rail, and high-speed rail. In addition, they have proven capabilities supporting rail vehicle acquisition programs with program management and engineering oversight with a particular focus on ensuring large-scale rail vehicle procurements are delivered on-time, within budget, and in full compliance with contract and regulatory requirements. Their U.S. Rail and Transit Group consists of over 100 professionals and has been servicing the U.S. market for over 35 years.

Recommendation for award may or may not be made to the lowest-priced Proposal. Although the recommendation for award is being recommended to a proposer other than the lowest price offeror, the PET believes that the Atkins proposal represents the best opportunity to meet LACMTA's project goals.