

ATTACHMENT A

PROCUREMENT SUMMARY

A650 HEAVY RAIL VEHICLE STATIC CONVERTER LOW VOLTAGE POWER SUPPLY (LVPS) - EXERCISE OPTION

1.	Contract Number: OP82170000		
2.	Contractor: Kiepe Electric LLC		
3.	Mod. Work Description: Exercise Option authorizing the Contractor to continue manufacturing 37 LVPS units for the A650 heavy rail vehicles (HRVs).		
4.	Contract Work Description: This is in support of the A650 HRV fleet component overhaul program to enhance safety, availability, and reliability. The Contractor shall be responsible for continued design, manufacturing, and delivery of new LVPS units.		
5.	The following data is current as of April 19, 2024 :		
6.	Contract Completion Status		Financial Status
	Contract Awarded:	October 6, 2022	Contract Award Amount: \$ 472,306.00 Base
	Notice to Proceed (NTP):	N/A	Total of Modifications Approved: 1
	Original Complete Date:	October 5, 2024	Pending Modifications (including this action): \$ 1,470,195.00 Option
	Current Est. Complete Date:	February 1, 2026	Current Contract Value (with this action): \$ 1,942,501.00 Base+Option
7.	Contract Administrator: Jessica Omohundro		Telephone Number: 213-922-4790
8.	Project Manager: Richard Lozano		Telephone Number: 323-224-4042

A. Procurement Background

This Board Action is to approve Contract Modification No. 2 issued in support of exercising the Option for the continued design, manufacturing, and delivery of new Low Voltage Power Supply (LVPS) units for the firm-fixed-price of \$1,453,915.00, increasing the total contract value from \$472,306 to \$1,942,501.00. The firm-fixed-price amount option was competitively solicited during the procurement phase of the Base Contract Award.

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy. The Contract with Kiepe Electric LLC was approved by the Board of Directors on August 18, 2022 under Agenda Number 32. The exercise of this Contract Option will extend the period of performance by 18-months from October 5, 2024 to April 5, 2026.

B. Cost/Price Analysis

The recommended price of \$1,942,501 has been determined to be fair and reasonable based upon an independent cost estimate (ICE), price analysis, technical evaluation, clarifications and negotiations.

This Contract Option is being exercised within the validity of the Option period and price is not subject to escalation.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated or NTE amount
1.	Kiepe Electric LLC	\$1,957,170	\$1,595,000	\$1,942,501
2.	AmePower	\$2,333,796	\$1,595,000	\$2,333,796

The difference in ICE and negotiated amount is due to several factors. The ICE didn't account for LVPS assembly, Training and Engineering Fee, as well as shipping and travel costs. Additionally, the ICE was based on a previous industry quote which didn't account for recent increase in inflation, transportation/shipping costs, and covid-related supply chain delays which increased significantly since the development of the ICE.