

## PROCUREMENT SUMMARY

**CONSULTANT SUPPORT SERVICES FOR THE A650 HEAVY RAIL VEHICLE (HRV)  
OVERHAUL PROGRAM, TECHNICAL AND PROGRAM MANAGEMENT SUPPORT  
SERVICES / CONTRACT NO. OP30433488**

1.	<b>Contract Number:</b> OP30433488		
2.	<b>Contractor:</b> HATCH Associates Consultants, Inc.		
3.	<b>Mod. Work Description:</b> Increase the Not-To-Exceed(NTE) contract price by \$11,930,792 from \$8,615,474 to \$20,546,266.		
4.	<b>Contract Work Description:</b> Consulting Services for the A650 Heavy Rail Vehicle Refurbishment and Critical Component Replacement Program		
5.	<b>The following data is current as of:</b> August 5, 2025		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	11/1/16	<b>Original Not-to-Exceed Contract Award Amount:</b> \$3,897,599
	<b>Notice to Proceed (NTP):</b>	11/23/16	<b>Total of Modifications Approved:</b> 18
	<b>Original Complete Date:</b>	09/23/20	<b>Pending Modifications (including this action):</b> 1
	<b>Current Est. Complete Date:</b>	10/05/25	<b>Current Contract Value (with this action):</b> \$8,615,474
7.	<b>Contract Administrator:</b> Elizabeth Martin-Maldonado		<b>Telephone Number:</b> 213-922-1041
8.	<b>Project Manager:</b> David McDonald		<b>Telephone Number:</b> 213-922-3221

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 19 to increase the total authorized funding for Contract No. OP30433488, to HATCH Associates Consultants, Inc. (HATCH) for technical and program management support for Metro's A650 Heavy Rail Vehicle (HRV) Refurbishment and Critical Component Replacement Program, in the NTE amount of \$11,930,792, increasing the Contract total from an NTE amount of \$8,615,474, to an NTE amount of \$20,546,266 and extending the Period of Performance to June 30, 2031.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is cost plus fixed fee.

Contract OP30433488 was executed on November 1, 2016 with LTK Engineering (LTK) and on October 30, 2020, LTK merged into HATCH and all terms and conditions under Contract No. OP30433488 were assigned and assumed by HATCH on July 1, 2023, for a 46 month period of performance for a total NTE amount of \$3,897,599 to provide technical and program management support to Metro's A650 Project Team on the A650 HRV Overhaul Program Project.

The contract period of performance was extended five times:

- Contract Modification No. 01 dated January 23, 2018 – Extended the Period of Performance from August 31, 2020, to July 5, 2021.
- Contract Modification No. 4 dated July 09, 2019 – Extended the Period of Performance from July 5, 2021, to May 5, 2022.
- Contract Modification No. 13 dated April 24 09, 2022 – Extended the Period of Performance from May 5, 2022, to July 5, 2022.
- Contract Modification No. 14 dated June 27, 2022 – Extended the Period of Performance from July 5, 2022, to March 5, 2025.
- Contract Modification No. 18 dated August 5, 2025 – Extended the Period of Performance from March 5, 2025, to October 5, 2025.

(Refer to Attachment B – Contract Modification/Change Order Log)

Hatch Associates Consultants, Inc. made a 30.74% Disadvantaged Business Enterprise (DBE) commitment. Based on payments, the project is 79% complete and the current DBE participation is 23.82%, representing a 6.92% shortfall of the DBE commitment. Hatch has a shortfall mitigation plan on file and contends, and Metro's PM concurred that the shortfall is due to Metro's cancellation of its contract with the previous car builder, which resulted in Hatch being unable to fully utilize Virginkar & Associates, Inc (VAI) to the listed commitment. Hatch reported that it expects to fully mitigate the shortfall by utilizing VAI for inspection of the A650 railcars that are currently being performed.

(Refer to Attachment C – DEOD Summary)

## **B. Cost/Price Analysis**

A Request for Proposal was issued to HATCH on July 20, 2025. Metro received a proposal on July 31, 2025. Staff completed negotiations on August 5, 2025. The recommended price has been determined to be fair and reasonable based upon an Independent Cost Estimate (ICE), negotiations, and a technical evaluation. The negotiation of the NTE amount comprised validation of HATCH and its subcontractor's current labor rates, audited labor overhead, travel and other direct costs, and a negotiated fixed fee for this is cost-plus-fixed-fee contract type. The approved labor rate for each consultant is based on actual cost with payroll documentation, which has resulted in a fair and reasonable determination. The factors affecting the NTE amount were anticipated level of effort, travel and other direct costs, which have been

reviewed and negotiated by the Contracting Officer to align with the A650 HRV Overhaul Program's extended project schedule. The negotiated amount is a 5.4% reduction from the initial proposed amount; however, it is still 6.2% higher than the ICE. The primary contributing factor to this variance is attributed to the ICE not accounting for the fixed fee used in this contract.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$12,610,126	\$11,235,560	\$11,930,792

#### **D. Contractor Information**

Hatch Associates Consultants, Inc., is a leader in providing consultant support services to the infrastructure, energy and mining and metals sectors. Hatch engineering expertise includes areas such as rail vehicle engineering, rail systems engineering, revenue systems and technology, zero-emissions transportation, operations planning and simulations, systems assurance, intercity and high-speed rail, rail corridor development and transit advisory services.

In addition to providing technical and program support for the A650 HRV Overhaul Program, Hatch currently provides program management consulting services for Metro's P3010 New LRV procurement and the HR4000 & HR5000 New Heavy Rail Vehicle procurements, and P2550 Light Rail Vehicle Overhaul campaign.