

## PROCUREMENT SUMMARY

**CONSULTANT SUPPORT SERVICES FOR THE HR4000 HEAVY RAIL VEHICLE  
(HRV) PROCUREMENT PROGRAM, TECHNICAL MANAGEMENT SUPPORT  
SERVICES**

**CONTRACT NO. OP24162700030433487**

1.	<b>Contract Number:</b> OP24162700030433487			
2.	<b>Contractor:</b> HATCH Associates Consultants, Inc.			
3.	<b>Mod. Work Description:</b> First Article Inspections, Resident Inspector to be stationed in China, Quality Audits, Testing and Commissioning of Rail Car Vehicles, Support during Warranty Period			
4.	<b>Contract Work Description:</b> Technical and engineering oversight of the Vehicle Contractor (CRRC) to ensure that performance is consistent with the delivery requirements of the HR4000 Contract.			
5.	<b>The following data is current as of:</b> November 19, 2025			
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>	
	<b>Contract Awarded:</b>	6/15/2016	<b>Contract Award Amount:</b>	\$13,028,744
	<b>Notice to Proceed (NTP):</b>	9/5/2016	<b>Total of Modifications Approved:</b>	\$10,528,656
	<b>Original Complete Date:</b>	11/4/2021	<b>Pending Modifications (including this action):</b>	\$7,857,071
	<b>Current Est. Complete Date:</b>	7/30/2031	<b>Current Contract Value (with this action):</b>	\$31,414,471
7.	<b>Contract Administrator:</b> Andrew Coppolo		<b>Telephone Number:</b> 213-922-1067	
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. 21 issued in support of the HR4000 Heavy Rail Acquisition to provide technical and engineering oversight of the Vehicle Contractor to ensure that performance is consistent with the delivery requirements of the HR4000 Contract. The Scope of Services includes, but is not limited to, oversight of testing and inspection activity, oversight of the Vehicle Contractor's supply chain process, reviewing and preparing correspondence in response to technical submissions, supporting Project Reviews, document control, and other technical support services as directed by Metro. This Contract Modification will be processed in accordance with Metro's Acquisition Policy, and the contract type is a cost plus fixed fee.

On June 15, 2016, the Board approved Contract No. OP16523-30433487 with LTK Engineering Services (LTK) for a Not-To-Exceed (NTE) amount of \$13,028,744 for Base Years and five (5) one-year Options for a NTE amount of \$8,677,278 for a total NTE contract value of \$21,706,022.

On April 21, 2022, the Board approved Modification No. 14 to increase the NTE total contract price by \$5,618,956, increasing the Contract value from \$14,228,248 to \$19,847,204.

An assignment from LTK to HATCH Associates Consultants, Inc. (HATCH) was agreed to and accepted by Metro, which required a change to the contract number to OP24162700030433487. Additionally, twenty (20) modifications, within staff delegated authority, have been issued under this Contract, for a combined total NTE of \$10,528,656, increasing the Contract value from \$13,028,744 to \$23,557,400. The modifications include changes in staff, period of performance extensions, and rights and assignments change from LTK to HATCH.

Contract Modification No. 21 increases the Contract NTE for the Base Years for continuation of technical services until it has been determined that Options for HR4000 will be exercised.

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

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

A Request for Proposal was issued to HATCH on October 22, 2025. Metro received a proposal on October 23, 2025. Staff completed negotiations on November 19, 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 HR4000 new HRV procurement schedule. The negotiated amount is a 4.95% reduction from the initial proposed amount; however, it is still 4.28% higher than the ICE. The primary contributing factor to this variance is that the ICE did not account for the actual overhead rates for each firm.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$8,266,508	\$7,534,483	\$7,857,071

### **C. Contractor Information**

HATCH Associates Consultants, Inc., is a leader in providing consultant support services to the infrastructure, energy and mining and metals sectors. HATCH's 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 HR4000 New HRV Procurement, HATCH currently provides program management consulting services for Metro's A650 HRV and P2550 LRV Overhaul Programs, P3010 New LRV procurement, and the HR5000 New HRV procurement and their performance is satisfactory.