PROCUREMENT SUMMARY

SIEMENS P2000 LIGHT RAIL VEHICLE FRICTION BRAKE AIR COMPRESSOR COMPONENT OVERHAUL

1.	**Contract Number**: RR119657000	
2.	**Recommended Vendor**: Wabtec Passenger Transit, A Division of Wabtec Corp.	
3.	**Type of Procurement (check one):** ☐ **IFB** ☒ **RFP** ☐ **RFP–A&E** ☒ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued: 01-02-2024	
	B. Advertised/Publicized: N/A	
	C. Pre-Proposal Conference: N/A	
	D. Proposals Due: 06-07-2024	
	E. Pre-Qualification Completed: 02-20-2024	
	F. Ethics Declaration Forms submitted to Ethics: 02-14-2024	
	G. Protest Period End Date: 01-22-2025	
5.	**Solicitations Picked up/Downloaded**: 1	**Bids/Proposals Received**: 1
6.	**Contract Administrator**: Jessica Omohundro	**Telephone Number**: (213) 922-4790
7.	**Project Manager**: Richard Lozano	**Telephone Number**: (323) 224-4042

A. Procurement Background

This Board Action is to approve the award of Contract No. RR119657000 to transport, inspect, overhaul, and test fifty-seven (57) P2000 friction brake and air compressor overhaul kits in support of Metro's P2000 Light Rail Vehicle (LRV) subject to the resolution of any properly submitted protest(s), if any. The existing friction brake system on the P2000 rail cars was designed and built by Wabtec Passenger Transit, the original equipment manufacturer (OEM). It was determined by Metro's engineering and operations team that Wabtec Passenger Transit possesses rights and control over proprietary data, supplies, and equipment necessary to ensure full operational capability of their friction brake system. Therefore, the overhaul of the P2000 friction brakes must be overhauled by the original equipment manufacturer (OEM), Wabtec Passenger Transit. Wabtec made a 3% Disadvantaged Business Enterprise (DBE) commitment for this OEM contract.

The non-competitive Request for Proposal (RFP) was issued on January 2, 2024, in accordance with Metro's Acquisition Policy and the contract type is a Firm-Fixed-Price.

Two (2) amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on January 18, 2024, revised critical dates, and extended the proposal due date.
- Amendment No. 2, issued on May 17, 2024, requested Best and Final Offer (BAFO) on their Good Faith Efforts for DEOD to review.
- Best and Final Offer (BAFO) issued on November 13, 2024.

B. Evaluation of Proposal

This non-competitive procurement is consistent with Public Utility Code § 130237 for the duplication or replacement of existing equipment already in use. The proposal was evaluated in compliance with Metro's Acquisition Policy and Procedures.

A Proposal Evaluation Team (PET) consisting of Metro staff from Transit Vehicle Engineering and Rail Fleet Services performed a comprehensive technical evaluation. The technical evaluation consisted of reviews of the Proposer's key personnel, project management, quality assurance and work plans. The proposal was found to be technically acceptable and in compliance with the requirements of the RFP.

C. Cost Analysis

In accordance with Metro's Acquisition Policy and Procedures for a non-competitive acquisition, a cost analysis is required. The recommended proposal price has been determined to be fair and reasonable based upon a cost analysis, technical evaluation, Independent Cost Estimate (ICE), discussions and negotiations.

Proposer Name	Proposal Amount	Metro ICE	Negotiated Amount
Wabtec Passenger Transit	$10,306,797.57	$6,298,500.00	$10,039,572.57

The Contract Administrator led discussions with Wabtec to address questions and get clarification on their proposed work plan, scope of work, level of effort, and proposed price. Following these discussions, Wabtec made price and technical adjustments and submitted a Best and Final Offer (BAFO) which included a reduced proposal price in the amount of $10,039,572.57.

The negotiated BAFO price represents a 2.6% reduction from the initial proposed amount, however, it is still 59.4% higher than the ICE. This difference is attributed to several key factors that were not fully considered in the ICE. The contributing factors that make up most of the difference are:

1. System obsolescence – Wabtec included additional engineering costs required to upgrade and retrofit current updated component technology to the existing obsolete system. The ICE did not include these brake control subsystem component upgrades which are significant and account for approximately 37.9% of the overall difference.

2. Risk Contingency – Metro's overhaul specification is intended to cover all items found to be worn, damaged, defective, or otherwise requiring replacement. The primary driver of the increased costs is the expanded scope of work. Previous contract was limited to specific overhaul tasks. The enhanced scope brings additional responsibilities, requiring increased resource allocation, labor, and

material costs. This, along with the high level of component obsolescence, creates financial risk that the ICE did not account for. This risk contingency factor accounts for approximately 3.4% of the overall difference.

Factoring these elements into the analysis, the difference between the ICE and the negotiated amount is reconciled to approximately 18.1% which is the best attainable, fair and reasonable price.

D. Background on Recommended Contractor

The recommended firm, Wabtec Passenger Transit, a division of Wabtec Corp, is a leading global provider of equipment, systems, digital solutions, and value-added services for the freight and transit rail sectors. With over 150 years of experience, they are leading the way in safety, efficiency, reliability, innovation, and productivity in over 50 countries around the world.