

RFP No. HR4000 - New Heavy Rail Vehicle Procurement  
*Procurement Evaluation Team Award Recommendation*



# HRV Acquisition:

## Scope & Plan:

- Procure 64 Base Order Cars
- Procure 218 Option Order Cars (5 Options)
- Replace Existing Fleet (104 Cars)
- Support Purple Line Extension Programs – Section 1, 2 & 3
- Add Capacity for Growth in Ridership

# Coordination of HRV Projects

	<b>A650</b>	<b>HR4000 (Base Order)</b>
Existing Quantity	104	0
Replacement	(30)	30
Overhaul	74	0
Service Expansion (PLE-1)		34
<b>Total</b>	<b>74</b>	<b>64</b>
<b>TOTAL FLEET</b>	<b>138 HRVs</b>	

# Award Recommendation Summary

Award to CRRC for \$178,395,869 as rated highest in accordance with approved evaluation criteria (reference [Appendix A](#))

- CRRC demonstrated best past performance in schedule adherence
- CRRC presented the highest technically rated proposal
- CRRC rated higher in Project Management
- CRRC presented the lowest cost offer (reference [Appendix B](#))
- CRRC will create the highest value of new local jobs and commits to purchasing a local facility (reference [Appendix C](#))
- CRRC commits to a U.S. Content percentage at 65% that exceeds the minimum Buy America requirements by 5% points

Best Technical; Lowest Price; Best LEP Commitment; Higher U.S. Content



# Procurement Evaluation Team Process

- Proposals received January 11, 2016
- Initial Interviews Conducted April 2016
- Proposer Site Visits conducted April 2016
- Agency reference checks conducted May 2016
- Negotiations completed June 2016
- Best and Final Offer (BAFO) received September 2016
- Final Price & Technical Evaluation completed October 6, 2016

# Scoring Result Summary

<b>Evaluation Criteria</b>	<b>Total Possible</b>	<b>CRRC</b>	<b>Hyundai Rotem</b>
Experience & Past Performance	375	301	284
Price	300	300	287
Technical Compliance	250	199	188
Project Management	75	61	58
Local Employment Program	50	50	38
<b>Total Scores</b>	<b>1050</b>	<b>911</b>	<b>855</b>

# Total Price Summary including Options

	CRRC	Hyundai Rotem	ICE
Base Order – 64 Vehicles	\$178,395,869	\$201,945,983	\$242,234,271
Option 1: 24 Vehicles (Red Line Expansion)	\$52,800,000	\$51,402,442	\$97,936,471
Option 2: 84 Vehicles (System Capacity Improvement)	\$184,800,000	\$180,292,321	\$361,217,103
Option 3: 20 Vehicles (PLE Section 2)	\$42,000,000	\$42,932,118	\$83,783,969
Option 4: 16 Vehicles (PLE Section 3)	\$33,600,000	\$34,345,694	\$70,626,548
Option 5: 74 Vehicles (A650 Option Vehicle Replacement)	\$155,400,000	\$159,147,150	\$344,188,723
<b>Total BAFO Price</b>	<b>\$646,995,869</b>	<b>\$670,065,708</b>	<b>\$1,199,987,085</b>



# Project Schedule – Going Forward

## Milestones

## Completion Date

- Board Award Approval December 2016
- Issue NTP January 2016
- Pilot Car Delivery & Acceptance September 2019
- Complete delivery of base order cars July 2021  
(up to 4 cars /month)
- Open PLE, Section 1 November 2023





# Questions

# Appendix A - HR4000 Evaluation Criteria

- Best Value RFP Evaluation Criteria Weight
  - Experience & Past Performance 36%
  - Price\* 29%
  - Technical Compliance 24%
  - Project Management 7%
  - Local Employment Program\*\* 5%
- \*Enhanced U.S. Content Program
  - Dollar value in excess of 60% used as a trade-off against Price
  - Pre-Award Audit to confirm proposed excess U.S. Content is valid
- \*\* DOT Voluntary Local Employment Program
  - New wages and benefits for State of CA residents
  - Facility improvements credit
  - 10% of new wages and benefits must be disadvantaged workers

# Appendix B - Base Vehicle Price Summary

	CRRC MA	Hyundai Rotem USA	Independent Cost Estimate
Base Order – 64 cars Total/Unit Price	\$150,400,000 / \$2,350,000	\$176,679,658 / \$2,760,620	\$227,732,672 / \$3,558,323
Spare Parts	\$14,670,541	\$11,562,315	\$5,416,500
Special Tools	\$3,970,646	\$3,957,825	\$139,000
Diagnostic Test Equipment	\$4,056,764	\$2,796,842	\$850,500
Training	\$264,000	\$301,600	\$250,000
Manuals	\$528,500	\$695,600	\$250,000
Cab Mock-up	\$487,500	\$810,700	\$3,215,599
Performance Bond	\$931,198	\$3,450,000	\$1,500,000
Alternative Technologies	\$3,086,720	\$1,691,443	\$2,880,000
BAFO Price	\$178,395,869	\$201,945,983	\$242,234,271

Note: Tax is not included for vehicles or spare parts.

# Appendix C - Manufacturing & LEP Summary

	<b>CRRC</b>	<b>Hyundai</b>
Manufacture of HRV	Changchun, China	Changwon, S. Korea
Final Assembly	Boston, MA	Los Angeles, CA
Local Jobs Location	Los Angeles, CA	Los Angeles, CA
New Local Job Creation for Prime & Subcontractors	Prime Contractor: \$7.8M Subs: \$19.8M Total Labor: \$27.6 (52 FTEs)	Prime Contractor: \$25.2M Subs:\$0 Total Labor: \$25.2M (67 FTEs)
Facility Investment & Training	\$10.7M	\$3.8M
Total Local Employment Plan Value	\$38,395,972	\$29,038,721
LEP Value as % of Total Price	5.9%	4.3%