

**Board Report**

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**File #:** 2016-0768, **File Type:** Contract**Agenda Number:** 38

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
JANUARY 19, 2017****SUBJECT: EXERCISE OPTIONS FOR P3010 LIGHT RAIL VEHICLE PROCUREMENT  
CONSULTING SERVICES****ACTION: AUTHORIZE CEO TO EXECUTE OPTION YEARS FOR EXISTING CONTRACTS  
(OP39602795A & OP39602795B)****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute a Contract Modification exercising three one-year options to:

- A. Contract No. OP39602795A with **LTK Engineering Services for Element A, Consultant for Light Rail Vehicle Acquisition, Technical Support Services**, in an aggregate amount of \$5,972,304, increasing the total Contract amount from \$15,236,445 to a total not-to-exceed amount of \$21,208,749; and
- B. Contract No. OP39602795B with CH2M Hill Inc. for **Element B, Consultant for Light Rail Vehicle Acquisition, Program Management Support Services**, in an aggregate amount of \$2,291,639, increasing the total Contract amount from \$6,087,246 to a total not-to-exceed amount of \$8,378,885.

**ISSUE**

In April 2012, the Board approved a contract with Kinkisharyo International, LLC (KI) for the manufacture and delivery of 78 new Light Rail Vehicles. Subsequently, the Board approved the award of the four options for the P3010 LRV Project (CP 206035) for an additional 157 vehicles, for a total of 235 vehicles. With the exercise of those quantity options, the last car will not be delivered until later half of 2020. To ensure continuity of consultant support for the P3010 LRV project, it is recommended that Metro award the remaining three one-year options on the existing contracts with LTK Engineering Services and CH2M Hill, Inc.

**DISCUSSION**

To support Metro staff with the management of the P3010 LRV project two sets of consultants were contracted. The consultant support to the project is divided into elements A and B:

- Element A Technical Support Services: LTK Engineering
- Element B Program Management Support Services: CH2M Hill Inc.

On March 22, 2012, the LACMTA Board awarded a base five-year contract, No. OP39602795A, to LTK Engineering (LTK) to provide technical support services for the P3010 LRV Procurement Project. The base contract is for five years and will expire March 25, 2017.

On March 22, 2012, the LACMTA Board also awarded Contract No. OP39602795B, to CH2M Hill Inc. to provide program management support services for the P3010 LRV Procurement project. The base contract is for five years and will expire March 25, 2017.

### **DETERMINATION OF SAFETY IMPACT**

The approval to execute the three options years for the Technical Support and Program Management Support Services will ensure continuity of the LRV Procurement Project and will assist with maintaining overall system safety, service quality, system reliability and overall customer satisfaction.

### **FINANCIAL IMPACT**

Funding for P3010 consultant support services has been allocated and initial LOP budget of \$30,000,000 for Consulting Services for Light Rail Vehicle Procurement was approved by the Board in 2012. Funds required in fiscal year 2017 are included in Cost Center 3043, Capital Project (CP) 206036. Since this is a multi-year project, the Chief Operating Officer and the Project Manager are responsible for budgeting in future years. Within CP 206036, there are two consultant supporting services specified: Technical Support and Program Management Support Services. Executing the three one-year options to continue the consultant support services will not increase the Board-approved LOP of \$30,000,000.

#### **Impact to Budget**

Funding for these services will come from Proposition A 35% Rail. This funding source is eligible for Rail Capital Projects and will maximize fund use based on funding allocation provisions.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to execute the three one-year options years. This alternative is not recommended as critical project activities being supported by consultant staff will be interrupted, likely impacting project schedule. These activities include, but are not limited to: auditing manufacture and assembly site activities, witnessing commissioning tests, reviewing test procedures and test reports, providing warranty support, reviewing car history books prior to submittal to CPUC, and conducting schedule and milestone reviews. The Metro project team currently does not have the resources to absorb this work.

### **NEXT STEPS**

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Upon Board approval exercise the three one-year options with each CH2M Hill and LTK Engineering Services.

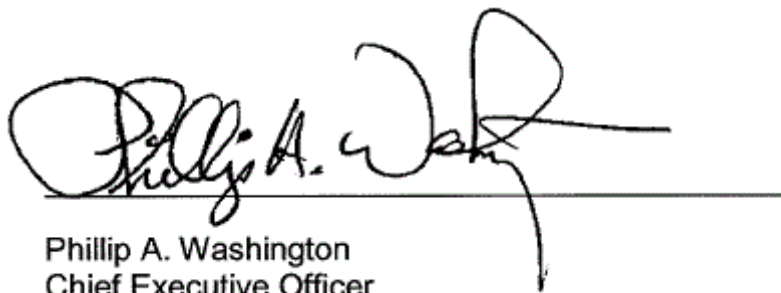
**ATTACHMENTS**

Contract No.: OP39602795A - LTK Engineering Services  
Attachment A - Procurement Summary  
Attachment B - Contract Modification Log  
Attachment C - DEOD Summary

Contract No.: OP39602795B - CH2M Hill, Inc.  
Attachment A - Procurement Summary  
Attachment B - Contract Modification Log  
Attachment C - DEOD Summary

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