



Board Report

File #: 2016-0052, File Type: Contract

Agenda Number: 32

REVISED
SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
MAY 19, 2016

**SUBJECT: CONSULTING SERVICES FOR HEAVY RAIL VEHICLE ACQUISITION,
TECHNICAL SUPPORT SERVICES**

ACTION: AWARD PROFESSIONAL SERVICES CONTRACT

RECOMMENDATION

AWARD a cost plus fixed fee contract for **Technical Support Services for the Heavy Rail Vehicle (HRV) Acquisition, Contract No. OP16523-30433487, to LTK Engineering Services**, in the not-to-exceed amount of \$13,028,744 for a period of 62 months from issuance of a Notice-to-Proceed (NTP) for the 64 HRV Base Order.

ISSUE

This action authorizes contract award to LTK Engineering Services to support Metro's designated Project Manager, or his/her designee, with engineering and technical oversight of the HRV 4000 Vehicle Contractor to ensure performance is consistent with the requirements of the HR4000 Heavy Rail Vehicle Contract. Subject to Metro's direction, the Consultant shall apply appropriate technical and engineering support services and resources to facilitate the timely production and delivery of the HR4000 HRVs and associated deliverables for a period of 62 months for the 64 vehicle HRV Base Order. Should Metro exercise Vehicle Options one (1) thru five (5) staff will return to the Board for approval of the additional not to exceed amount for LTK's services.

DISCUSSION

Metro is currently active in numerous rail line extensions including the Purple Line Extension (PLE), Sections 1, 2 and 3. This rail line expansion, previously named the Westside Subway Extension, extends service from the terminus of the Purple Line at the ~~Wilshire/Vermont~~ Wilshire/Western Station to Westwood.

In accordance with the Rail Fleet Management Plan FY2015-FY2040 (Draft, June 10, 2015, v.7.1), Metro anticipates a need to expand each rail fleet to accommodate anticipated growth in ridership, line extensions; replace vehicles reaching the end of their useful revenue service life; and support the maintenance department with reasonable spare ratios to prevent deferred maintenance issues. The base order of 64 HRVs will address the operational service requirements of the PLE, Section 1, with

34 HRVs; the other 30 HRVs will be used to replace the A650 Base Buy fleet that will be at the end of its useful revenue service life. As such this contract base order will be supporting the fleet replacement efforts under project number 206037 in addition to the PLE section 1 efforts under project number 865518. If in the future, the additional options are executed, project(s) will be directly charged for the option(s) benefitting the respective project(s). There are five (5) Options totaling 218 HRVs for potentially a cumulative purchase of 282 vehicles for the new HRV procurement.

The Options included as part of this action are as follows:

- Option 1 - 24 HRVs: Red Line Expansion
- Option 2 - 84 HRVs: System Expansion
- Option 3 - 20 HRVs: PLE, Section 2
- Option 4 - 16 HRVs: PLE, Section 3
- Option 5 - 74 HRVs: Fleet Replacement of existing 74 vehicles

LTK Engineering Services shall provide support to Metro's designated Project Manager or his/her designee, with technical and engineering oversight of the Vehicle Contractor to ensure that performance is consistent with the delivery requirements of the HR4000 Heavy Rail Vehicle Contract, which may include Metro's exercise of any or all of the five (5) Options. Subject to Metro's direction, LTK Engineering Services will apply appropriate technical and engineering support services and resources to facilitate the timely production and delivery of the HR4000 HRVs and associated deliverables.

The Scope of Services shall include, but not be limited to, document control, review and preparation of correspondence in response to technical submissions, oversight of the Vehicle Contractor's supply chain process, support of Project Reviews, oversight of testing and inspection activity, and other technical support services as directed by Metro.

The Consultant shall provide, on an as needed basis, highly experienced and qualified passenger heavy rail transit Vehicle engineers with demonstrated expertise in all subject areas listed in LTK Engineering Services' Statement of Qualifications for the duration of the Contract.

The Diversity & Economic Opportunity Department (DEOD) has completed its initial evaluation of the Proposer's commitment to meet the twenty percent (20%) Race Conscious Disadvantage Business Enterprise (RC DBE) goal established for this project. LTK Engineering Services exceeded the goal by making a 22.62% DBE commitment and is deemed responsive to the DBE requirements.

DETERMINATION OF SAFETY IMPACT

The approval of this contract award will have a direct and positive impact to system safety, service quality, system reliability and overall customer satisfaction. The procurement of sixty-four (64) new HRVs will support the operational service requirements of Section 1 of the PLE and augment service

levels by replacing the underperforming 30 Base Buy A650 HRVs.

FINANCIAL IMPACT

The total not-to-exceed contract amount to support the base is \$13,028,744. Funding for the base order is within the respective Life of Project (LOP) budgets for the Westside Purple Line Extension (PLE) Section 1 (865518) of \$2,739,510,000 and the Heavy Rail Procurement Project (206037) of \$130,910,000.

The FY17 planned expenditures of \$2,497,043 is included in the annual budgets for the two aforementioned projects in Cost Center 3043, Rail Vehicle Acquisition, and Account 50316, Professional & Technical Services and as per Attachment C.

Since this is a multi-year contract, the cost center Manager, Project Managers, and the Executive Director of Vehicle Acquisitions will ensure that costs will be budgeted in future years.

Impact to Budget

The source of funds for this action affecting Westside PLE Section 1 is Measure R 35%, and is within the Adopted LOP budget. Funding sources for the Westside PLE Section 1 project is planned for the design, construction and procurement efforts; these funds are not eligible for operations.

The source of funds for the Heavy Rail Procurement project is initially Measure R Administration, which is eligible for rail capital activities. The funding sources under this project are sufficient to award the contract base of this recommendation. Staff is actively pursuing additional Federal sources such as MAP-21 and other eligible federal sources. Staff is also pursuing additional State and Local funding sources such as Cap and Trade and similar sources as they become available to meet the funding needs of project 206037.

ALTERNATIVES CONSIDERED

Staff considered using in-house Metro resources to perform this work. This approach is not recommended as Metro does not have sufficient resources and Subject Matter Experts (SME) available to perform this work. The Transit Capital Programs group has only two (2) Senior Mechanical Engineers and two (2) Engineers available to facilitate four (4) rail projects already underway.

The Board of Directors may choose not to authorize the contract award for this project; however, this alternative is not recommended by staff as this project is critical to support the Purple Line Extension, accommodate projected growth in ridership, and increase vehicle spare ratios to enable the Maintenance department to effectively plan and schedule its work.

NEXT STEPS

Upon Board approval, a contract will be awarded and a Notice-to-Proceed will be issued to LTK Engineering Services. Metro and LTK Engineering Services will mobilize required resources and

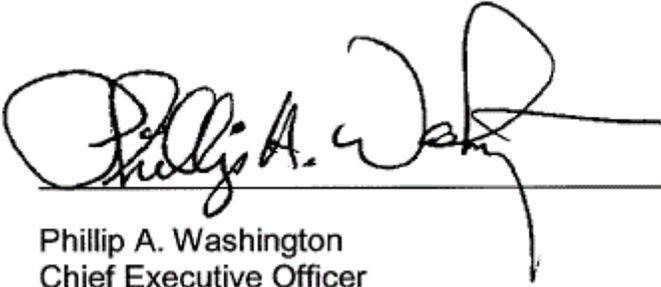
SMEs to ensure timely completion of deliverables by the Vehicle Contractor.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary
Attachment C - Funding/Expenditure Plan

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