File #: 2020-0054, **File Type:** Contract **Agenda Number:** 29.

OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE
FEBRUARY 18, 2021

SUBJECT: CONSULTING SERVICES FOR THE P2550 LIGHT RAIL VEHICLE (LRV) MIDLIFE MODERNIZATION/OVERHAUL PROGRAM, TECHNICAL AND PROGRAM MANAGEMENT SUPPORT SERVICES

ACTION: APPROVE PROFESSIONAL SERVICES RECOMMENDATION

RECOMMENDATION

AWARD a cost plus fixed fee contract for Technical and Program Management Support Services under Contract No. PS73193-2550 for P2550 Light Rail Vehicle (LRVs) Midlife Modernization/Overhaul Program Consultant Support Services, to LTK Consulting Services, Inc. in the not-to-exceed amount of $6,470,848.47 for a period of 60 months from issuance of a Notice-to-Proceed (NTP) for the midlife modernization/overhaul of 50 AnsaldoBreda P2550 LRVs.

ISSUE

Metro will require Technical and Program Management Support Services to provide oversight of the Rail Vehicle Contractor in order to facilitate the timely modernization/overhaul and delivery of the P2550 LRVs and associated deliverables.

In May 2019, the Board authorized staff to issue a federally funded solicitation for a Best Value Request for Proposals (RFPs) as competitive negotiations pursuant to PCC § 20217 and Metro's procurement policies and procedures for the Midlife Modernization/Overhaul Program.

DISCUSSION

Currently, Metro operates 50 AnsaldoBreda P2550 LRVs on the Gold Line Foothill Extension; operating from Azusa to East Los Angeles, via Union Station (29.7 miles, each direction). The LRVs are on average 10 years old from date of acceptance and have an average mileage of approximately 720,000 revenue service miles. A few of the critical systems and components on these P2550 LRV fleet are experiencing parts obsolescence issues, lack of vendor support and outdated technology. These deficiencies diminish the performance and maintainability of the fleet. By modernizing/overhauling and replacing these critical systems and components, this midlife Modernization Program will maintain the fleet's State of Good Repair (SGR) and ensure the continued safety, reliability, availability, and maintainability of the fleet for revenue service.

The Consultant shall provide Metro with expert professional engineering, technical oversight, and program management support services as directed and required by Metro's staff to ensure the Rail Vehicle Contractor's performance is consistent with the delivery requirements of the Contract. Subject to Metro's direction, the Consultant shall apply appropriate engineering, technical and program management resources to ensure the timely overhaul and delivery of the overhauled vehicles and associated deliverables.

The scope of services shall include, but not be limited to reviewing and preparation of correspondence in response to technical submissions; provide oversight of the project status; identify any variances from schedule and deliverable requirements and recommend corrective action; assess and report on project performance; support of Project Reviews; document control; oversight of the Rail Vehicle Contractor's supply chain process; review Change Order requests; test and inspection activity oversight; and other technical and program management support services as directed by Metro.

Using a single consultant to provide support for both Technical Oversight and Program Management was adopted as a streamlined approach because the scope of a midlife overhaul is not as complex as a new vehicle procurement which requires a depth and breadth of consultant support that justifies splitting the two disciplines across separate consultant contracts. In addition, it is much easier to manage one consulting firm than two as there is potentially integration and coordination issues among two consulting firms.

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 Consulting Services, Inc. exceeded the goal by making a 25.49% 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, maintainability and overall customer satisfaction. The P2550 Light Rail Vehicle Midlife Modernization/Overhaul Program will permit Metro to maintain the SGR on the LRV fleet.

FINANCIAL IMPACT

The planned expenditure of $4,500,000 is included in the FY21 budget in cost center 3043, Rail Vehicle Acquisition, Account 50316. This amount includes both Contractor cost and Professional and Technical Services, under project number CP214003, P2550 Light Rail Vehicle Midlife Modernization/Overhaul Program.

Since this is a multi-year contract, the cost center manager will be responsible for dispersing the cost for subsequent years, including any options exercised.

Impact to Budget

The current sources of funds for the overhaul program and Consulting Services are TDA Article 4 and Proposition A 35%. Staff will pursue additional Federal, State, and Local funds as they become available to maximize the allowable funding allocations given approved guidelines and provisions.

ALTERNATIVES CONSIDERED

Staff considered the following alternatives: 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 available to perform this work. This approach is not recommended for the lack of staff capabilities listed above.

The Board of Directors may choose not to authorize the Contract award for this project; however, this alternative is not recommended by Metro staff because the Midlife Modernization/Overhaul Program is critical to maintaining a SGR on the 50 AnsaldoBreda P2550 LRVs and 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 Consulting Services, Inc. Metro and LTK Consulting Services, Inc. will mobilize required resources and SMEs to ensure timely completion of deliverables by the Rail Vehicle Contractor.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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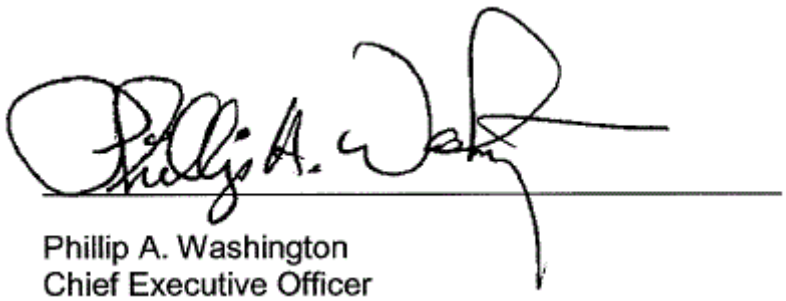

Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

P2550 MIDLIFE MODERNIZATION CONSULTANT SUPPORT SERVICES/CONTRACT NUMBER PS73193000

1.	**Contract Number**: PS73193000	
2.	**Recommended Vendor**: LTK Consulting Services, Inc.	
3.	**Type of Procurement (check one):** ☐ **IFB** ☒ **RFP** ☐ **RFP–A&E** ☐ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates**:	
	A. Issued : 11/06/20	
	B. Advertised/Publicized: 11/06/20	
	C. Pre-Proposal Conference: 11/18/20	
	D. Proposals Due: 12/08/20	
	E. Pre-Qualification Completed: Pending	
	F. Conflict of Interest Form Submitted to Ethics: 01/14/21	
	G. Protest Period End Date: 02/03/21	
5.	**Solicitations Picked up/Downloaded**: 02	**Bids/Proposals Received**: 02
6.	**Contract Administrator**: Nicole Banayan	**Telephone Number**: 213-922-7438
7.	**Project Manager**: Annie Yang	**Telephone Number**: 213-922-3254

A. Procurement Background

This Board Action is to approve Contract No. PS73193 for technical consulting services in support of the P2550 Light Rail Vehicle Midlife Modernization Program. The consultant shall provide Metro with technical oversight and program management support of the Transit Vehicle Manufacturer (TVM) selected to perform the midlife modernization. The recommended consultant will provide technical assistance to Metro staff to ensure the successful modernization of the P2550 Light Rail Vehicles. The services will include engineering and administrative resources to support Metro's Project Manager in the technical and program management of the project. Board approval of contract awards are subject to resolution of any properly submitted protest.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a cost-plus fixed fee.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on November 18, 2020 revised Exhibit A entitled, "Scope of Services", Exhibit B entitled, "Advanced Memorandum of Costs" and added Corporate Safety's requirements.

A total of two (2) proposals were received on December 08, 2020.

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of staff from Administrative and Financial Services, Rail Vehicle Engineering, and Rail Vehicle Acquisition was convened and conducted a comprehensive technical evaluation of the proposals received.

Proposals were first evaluated to determine each firm's ability to meet the following minimum qualifications on a pass/fail basis:

- Experience providing administrative and technical consulting services during the post award, design, production and delivery periods for a large public transit agency acquiring new rail vehicles; or overhauling existing rail vehicles.
- Demonstrated industry experience performing similar work on at least one (1) rail vehicle acquisition or rail vehicle overhaul project of similar size and scope within the last five (5) years.
- The following defines the minimum core competencies required of the Proposer's proposed staff:

1) Senior Program Manager
   Education: BA/BS in Business, Engineering or related discipline, MS or MBA preferred. Five years of lead management role experience in the rail vehicle design, procurement, and/or commissioning strongly preferred.
2) Systems Integrator Engineer
   Education: BS in Electrical Engineering, Master's Electrical Engineering preferred. Minimally five years of experience with rail vehicle system integration design, procurement, testing, and/or commissioning required.
3) Senior Systems Engineers / Commissioning Test Engineers
   Education: BS in Electrical Engineering, Master's Electrical Engineering preferred. Minimally five years of experience with rail vehicle systems design, testing, and commissioning required.
4) Senior Schedule Analyst
   Education: Bachelor's degree in related field. Master's degree and Project Management Professional (PMP) or Certified Associate in Project Management (CAPM) Certification preferred. Professional fluency in MS Project and Primavera (P6, P3) software required. Experience in review schedule of rail vehicle related projects preferred.
5) Quality Assurance Engineer
   Education: BA/BS in Business, Engineering or related discipline,

MS or MBA preferred. Experience with rail vehicle procurement project strongly preferred.

6) Contract Administrator
   Education: Associate of Arts degree in related field. Four-year degree and understanding of Metro's Procurement Processes preferred.

7) Inspectors (Contractor's Site)
   Education: Associate of Arts degree in electrical, mechanical, electronics and/or equivalent trade from an accredited trade or vocational school. Five (5) years of experience as a rail Vehicle inspector may be substituted for educational requirement. Experience shall be specific to rail vehicle manufacturing, assembly and/or vehicle commissioning.

8) Inspector (Commissioning/Acceptance Site)
   Education: Associate of Arts degree in electrical, mechanical, electronics and/or equivalent trade from an accredited trade or vocational school. Five (5) years of experience as a rail Vehicle inspector may be substituted for educational requirement. Experience shall be specific to rail vehicle manufacturing, assembly and/or vehicle commissioning required.

9) Administrative Staff/Document Control
   Education: Administrative Staff shall have an Associate of Arts degree or equivalent

After reviewing each proposal, staff determined that both proposers met the minimum qualifications,

Proposals were then evaluated based on the following evaluation criteria and weights:

- The Team's Degree of Skill and Experience 30 percent
- Staff Quality and Technical Expertise 20 percent
- Understanding of Work and Appropriateness of Approach for Implementation 20 percent
- Cost Proposal 30 percent

The evaluation criteria are appropriate and consistent with criteria developed for other, similar consultant support services procurement. Several factors were considered when developing these weights, giving the greatest importance to the team's degree of skill and experience and price.

Of the two (2) proposals received, both were determined to be within the competitive range. The two firms within the competitive range are listed below in alphabetical order:

1. LTK Consulting Services (LTK)
2. STV, Inc. (STV)

On December 11, 2020, Metro conducted oral presentations with both firms to evaluate the firm's degree of skill and experience, proposed staff's qualifications and technical expertise and how well each firm understood the work and its approach to project implementation. At the conclusion of oral presentations, Request for Clarifications (RFC) were issued to both firms for the purpose of clarifying proposed staff's education and experience. Both firms provided satisfactory responses to Metro's clarification requests.

On December 29, 2020, Metro conducted negotiations to advise each proposer of its relative strengths and weaknesses based on Metro's first iteration of scoring. At the conclusion of negotiations, Metro issued a Best and Final Offer (BAFO) request to both firms. BAFO proposals were received on January 11, 2021. The PET conducted its final evaluation with the scoring distribution shown in the table below.

Qualifications Summary of Firms within the Competitive Range:

LTK Consulting Services, Inc.

LTK provided technical oversight consultant services during the original design and construction of the P2550 LRVs as well as assessed the P2550 fleet condition in 2016. Recently, LTK provided consultant support services to upgrade the P2550 propulsion controls and auxiliary power units. In addition, LTK is currently providing consultant support services to Metro's, HR4000 Heavy Rail Vehicle (HRV) Contract and the A650 HRV and P2550 LRV Overhaul Contracts.

STV, Inc.

STV provided technical and program support during the solicitation phase of the P2550 LRV Midlife Modernization specification development. STV assisted Metro in developing the current P2550 LRV Midlife Modernization and HR4000 HRV Technical Specifications and also provides subcontracted program support to Metro for the HR4000 Contract. STV recently provided similar consultant work under the General Engineering Contract to Maryland Department of Transportation Maryland Transit Administration (MTA) for 53 light rail vehicles. STV also provided fleet assessment on the Orange Line Vehicles for Massachusetts Bay Transportation Authority.

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	**Firm 1- LTK**				
3	The team's degree of skills and experience	9.33	30.00%	28.00	
4	Staff Quality and Technical Expertise	9.33	20.00%	18.67	
5	Understanding of Work and Appropriateness of Approach for Implementation	9.33	20.00%	18.67	
6	Cost	N/A	30.00%	30.00	
7	**Total**		**100.00%**	**95.34**	**1**
8	**Firm 2 -STV**				
9	The team's degree of skills and experience	8.50	30.00%	25.50	
10	Staff Quality and Technical Expertise	8.08	20.00%	16.17	
11	Understanding of Work and Appropriateness of Approach for Implementation	8.83	20.00%	15.27	
12	Cost	N/A	30.00%	28.98	
13	**Total**		**100.00%**	**85.91**	**2**

C. Cost Analysis

The recommended price has been determined to be fair and reasonable based upon audit findings, an independent cost estimate, and negotiations.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated or NTE amount
1.	LTK	$6,622,110.70	$7,344,929.00	$6,470,848.47
2.	STV	$6,768,004.85	$7,344,929.00	$6,698,672.76

D. Background on Recommended Contractor

The recommended firm, LTK Consulting Services, Inc., located in Ambler, PA, has been in business since 1921 and is a leader in providing consultant support services to the infrastructure, energy and mining and metals sectors. In November 2020, Hatch merged with LTK. The merger between Hatch and LTK was to create a powerhouse global service provider focused on the unique needs of their clients in the infrastructure, energy, and metals market sectors. Within the infrastructure sector, LTK brings 100 years of exceptional service and technical expertise to their clients in the rail industry, which will complement Hatch's existing capabilities in transportation and logistics, urban solutions, and water. LTK engineering expertise include 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. LTK has offices in 27 cities across the U.S. LTK's most recent rail vehicle support services Contracts include consulting services for Metro's P3010 New LRV procurement and HR4000 New Heavy Rail Vehicle procurement.

DEOD SUMMARY

P2550 MIDLIFE MODERNIZATION CONSULTANT SUPPORT SERVICES/CONTRACT NUMBER PS73193000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 20% Disadvantaged Business Enterprise (DBE) goal for this solicitation. LTK Consulting Services exceeded the goal by making a 25.49% DBE commitment.

Small Business Goal	20% DBE	Small Business Commitment	25.49% DBE

	DBE Subcontractors	Ethnicity	% Committed
1.	Ramos Consulting Services, Inc.	Hispanic American	10.99%
2.	Virginkar & Associates, Inc.	Asian Pacific American	14.50%
		Total DBE Commitment	**25.49%**

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of $2.5 million.