

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2023-0494, File Type: Contract Agenda Number: 25.

OPERATIONS, SAFETY AND CUSTOMER EXPERIENCE COMMITTEE MARCH 21, 2024

SUBJECT: CONSULTANT SUPPORT SERVICES FOR NEW HR5000 HEAVY RAIL VEHICLE

(HRV) PROCUREMENT

ACTION: APPROVE AWARDS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. AWARD Contract No. PS11758001 with Hatch Associates Consultants, Inc. for Element A, Consultant for Heavy Rail Vehicle Acquisition, Technical Support Services, in the not-to-exceed amount of \$23,072,507.51, for a period of 87 months from issuance of a Notice to Proceed, subject to the resolution of any protest(s), if any;
- B. AWARD Contract No. PS11758002with AtkinsRealis USA Inc. for Element B, Consultant for Heavy Rail Vehicle Acquisition, Program Management Support Services, in the not-to-exceed amount of \$11,263,545.59, for a period of 87 months from issuance of a Notice to Proceed, subject to the resolution of any protest(s), if any; and
- C. APPROVE a combined Life of Project (LOP) budget of \$47,530,870.10, which includes the cost of the two professional services contracts of \$34,336,053.10, Metro administration cost of \$8,873,829, and Contract Modification Authority of \$4,320,988.

ISSUE

The recent procurement of 182 new HRVs will support the operational service requirements of Section 2 and Section 3 of the Purple Line Extension and augment service levels by replacing the aging 74 Option Order A650 HRVs.

However, Metro does not have sufficient resources and subject matter experts available to review all elements of this contract. Therefore, Technical and Program Management consultant support is needed to augment Metro's staff to ensure timely delivery of the HR5000 HRVs and associated deliverables. Due to the complexity of managing a new vehicle procurement, the consultant services will be split into two elements to be awarded to two separate firms. This approach has been used to successfully manage multiple past rail vehicle procurement contracts at Metro

BACKGROUND

In January 2024, the Board authorized the award of the HR5000 vehicle procurement contract to the Hyundai Rotem Company. Metro will require Technical and Program Management Support Services to provide oversight of Hyundai Rotem to review and facilitate the timely delivery of the HR5000 HRVs and associated deliverables. Timely delivery is critical for this contract, with 42 HRVs required to be delivered by the 2028 Olympics and Paralympic Games.

. A Request for Proposals (RFP) was issued to solicit proposals for Technical Support Services (Element A) and Program Management Support Services (Element B) to support the delivery of the HRV contract.

DISCUSSION

Hatch Associates Consultants, Inc (Hatch) and AtkinsRealis USA Inc. (Atkins)were found to represent the Highest Rated and Best Value to Metro when all experience and price factors are considered in accordance with the RFP criteria. The Procurement Summary (Attachment A) further provides the detailed evaluation results and rankings for all proposers, including the weighted scores associated with each evaluation factor for each Element.

For the Technical Support Services (Element A), Hatch was found to have the highest rated and best value offer. The Element A scope of services shall include, but not be limited to, reviewing and preparing correspondence in response to technical submissions; support of Project Reviews; document control; test and inspection activity oversight; and other technical support services as directed by Metro.

For the Program Management Services (Element B), Atkins was found to have the highest rated and best value offer. The Element B scope of services shall include, but not be limited to providing oversight of the project status; identifying any variances from schedule and deliverable requirements and recommending corrective action; assessing and reporting on project performance; supporting Project Reviews; document control; reviewing Change Order requests; commissioning activity oversight; and other program management support services as directed by Metro.

Subject to Metro's direction, the Consultants shall apply appropriate technical, engineering, and program management support services and resources to facilitate the timely production and delivery of the HR5000 HRVs and associated deliverables.

DETERMINATION OF SAFETY IMPACT

The approval of these contract awards will have a direct and positive impact on system safety, service quality, system reliability, and overall customer satisfaction. The replacement of aging A650 Option HRVs will provide enhanced comfort level including improved communication systems and system reliability in addition to better maintainability to both our customers and stakeholders.

FINANCIAL IMPACT

The planned expenditure of \$1,744,400 is included in the FY24 budget in cost center 3043, Rail

Vehicle Acquisition, Account 50316. This amount includes both Metro Labor, Professional and Technical Services, and contingency currently under CP 206037 - Heavy Rail Vehicle Procurement and will be transferred to a new Capital project number for HR5000 Heavy Rail Vehicle (HRV) Consultant Support Services upon board approval.

Impact to Budget

The current source of funds for this action is Proposition A 35%, which is eligible for rail operating and capital projects. Staff will pursue additional Federal, State, and Local funds as they become available to maximize the intent of allowable funding allocations given approved guidelines and provisions.

EQUITY PLATFORM

Part of the new HR5000 rail vehicles will be used to replace the existing aged A650 Option vehicles and the remaining will be used on the D Line Extensions. Approving the recommendations in this board report will support the identified fleet expansion and service needs. The existing B and D Heavy Rail Lines currently serve customers in majority Equity Focus Communities (EFC) who rely on public transportation to commute to their jobs and other life commitments. With the D Line Extensions, Metro customers will have expanded access to opportunities in the Westside Cities/West Central Los Angeles subregions. The new HR5000 fleet is required to accommodate such expansions. Based on the 2019 Customer Survey, the B and D Heavy Rail Lines serve the following ridership:

- 27.7% below the poverty line
- 56.4% had no car available

Rider Ethnicity:

- Latino 38.9%;
- Black 13.1%:
- White 25.8%;
- Asian/Pacific Islander 15.2%;
- Other 6.5%

In addition, these areas include Union Station to Downtown LA, Koreatown (Wilshire/Western), Hollywood, Universal City, and North Hollywood.

The Diversity & Economic Opportunity Department (DEOD) established a twenty-seven percent (27%) Disadvantaged Business Enterprise (DBE) participation goal for this procurement, more details can be found in Attachment B - DEOD Summary.

Element A - Hatch listed three (3) subcontractors to perform the required scope of work. Certification verification revealed that Ramos Consulting Services and Virginkar & Associates, Inc. are DBE-certified. Hatch exceeded the goal by making a 29.27% DBE commitment.

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Element B - Atkins listed two (2) subcontractors to perform the required scope of work. Certification verification revealed that Capitol Government Contract Specialist and Raul V. Bravo + Associates are DBE certified. Atkins has proposed to meet the 27% DBE commitment.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

These recommendations support Metro Strategic Plan Goal No. 5) to "provide responsive, accountable, and trustworthy governance within the Metro organization". This goal strives to position Metro to deliver the best possible mobility outcomes and improve business practices so that Metro can perform more effectively and adapt more nimbly to the changing needs of our customers.

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 SMEs 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 HR5000 HRV Procurement Program is critical to having sufficient vehicles to meet future service needs for PLE Section 2 and 3 as well as the 2028 Olympics and Paralympics.

NEXT STEPS

Upon Board approval, a contract will be awarded and a Notice-to-Proceed will be issued to Hatch Associates Consultants, Inc. for Element A and AtkinsRealis USA Inc. for Element B, respectively. Metro and the two consulting firms will mobilize the required resources and SMEs to ensure the timely completion of deliverables by the Rail Vehicle Contractor.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Ray Saito, Sr. Manager, Project Control, (213) 922-3141

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Reviewed by: Conan Cheung, Chief Operations Officer, (213) 418-3034

PROCUREMENT SUMMARY

HR5000 HEAVY RAIL VEHICLE ACQUISITION CONSULTANT SUPPORT SERVICES/CONTRACT NUMBER PS117580001

| 1. | Contract Number: PS117580001 and PS | S117580002 | |
|----|--|--------------------------|--|
| 2. | Recommended Vendors: Hatch for Element A; Atkins for Element B | | |
| 3. | Type of Procurement (check one): I | | |
| | ☐ Non-Competitive ☐ Modification | ☐ Task Order | |
| 4. | Procurement Dates: | | |
| | A. Issued : 11/09/23 | | |
| | B. Advertised/Publicized: 11/09/23 | | |
| | C. Pre-Proposal Conference: 11/27/23 | | |
| | D. Proposals Due : 12/15/23 | | |
| | E. Pre-Qualification Completed: 01/23/24 | | |
| | F. Conflict of Interest Form Submitted to Ethics: 12/18/23 | | |
| | G. Protest Period End Date: 11/20/23 | | |
| 5. | Solicitations Picked | Bids/Proposals Received: | |
| | up/Downloaded: 33 | Element A – 1 | |
| | Element B – 2 | | |
| 6. | Contract Administrator: | Telephone Number: | |
| | Mildred Martinez | 213-922-4753 | |
| 7. | Project Manager: | Telephone Number: | |
| | Annie Yang | 213-922-3254 | |

A. <u>Procurement Background</u>

This Board Action is to approve Contract No. PS117580001 for technical consulting services and Contract No. PS117580002 for program management consulting services, both in support of the HR5000 Heavy Rail Vehicle Program, subject to resolution of any properly submitted protest(s), if any.

Element A - The recommended consultant for Element A (Contract No. PS117580001) will provide technical and engineering assistance to Metro staff to ensure the successful manufacturing and timely delivery of 182 Heavy Rail Vehicles (HRVs) for use on Metro's existing heavy rail lines and anticipated line extensions. The recommended consultant will provide technical and engineering oversight of Hyundai Rotem Company (the vehicle contractor), to ensure that performance is consistent with the contractual requirements for the HR5000 HRV. The scope of services includes, but is not limited to: document control, drawing review, technical submittals and samples review, supporting Project Reviews (e.g. Operations, Maintenance, and Equipment manuals), testing and inspection activity oversight (First Article Inspections), and other technical support services as directed by Metro.

Element B - The recommended consultant for Element B (Contract No. PS117580002) will provide program management support to Metro staff to ensure the successful manufacturing and delivery of 182 HRVs for use on Metro's existing heavy rail lines and anticipated line extensions. The recommended consultant will provide professional consulting services in support of Metro's Project Manager and

staff for delivery management services of Hyundai Rotem Company (the vehicle contractor), to ensure that performance is consistent with the contractual requirements for the HR5000 HRV. The scope of services includes, but is not limited to: schedule adherence and variance tracking, commissioning site vehicle inspection, Reliability Demonstration Test (RDT) Program, Buy America Audit, safety certification, contract administration, and other program management support services as directed by Metro.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a cost reimbursable plus fixed fee. The RFP provides for a separate contract award for each Element. Proposers were only allowed to submit proposals for either Element A or Element B, not both.

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

- Amendment No. 1, issued on November 30, 2023 revised Letter of Invitation and Proposal Requirements/Forms 1.1 General Format.
- Amendment No. 2, issued on February 23, 2024 revised the DEOD language.

A total of three (3) proposals were received on December 15, 2023. Element A received only one proposal by Hatch Associates Consultants Inc. (Hatch). Element B received two proposals, one from AtkinsRealis USA Inc. (Atkins) and one from Jacobs Engineering Group Inc. (Jacobs).

Metro staff conducted a market survey of the firms on the planholder's list to determine why no other proposals were submitted for Element A – Technical Support. Survey responses were received from 3 firms and included not having enough staff in the Los Angeles area to participate, not being able to meet the solicitation requirements, and not having the capacity to provide the services as a prime contractor.

The market survey revealed that the decisions not to propose were based on individual business considerations. The scope of services provided an opportunity for firms to submit proposals for consultancy based on their years of experience and availability of technical staff in support of rail vehicle acquisition. Therefore, the solicitation was determined not restrictive and can be awarded as a competitive award.

B. Evaluation of Proposal of Element A - Technical Support

The Proposal Evaluation Team (PET) consisting of qualified staff from Rail Vehicle Acquisition was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal for Element A was evaluated to determine the firm's ability to meet the following minimum qualifications on a pass/fail basis:

- Ten years of experience as a Prime consultant providing administrative and technical consulting services during the post award, design, production and delivery periods for a large public transit agency acquiring heavy rail vehicles.
- Demonstrated industry experience as a Prime consultant performing similar work on at least three (3) projects of similar size and scope during the period from 2008 to the present. Consultant shall provide list of all major clients who have utilized the Consultant's services during this period. For each client listed Consultant shall provide contact name, phone number and email address.

The PET focused their evaluations on the "Key" project team members' historical experience and qualifications in similar rail vehicle projects, and the amount of time allocated to the Project. These Key positions include the Project Manager, Systems Integrator Engineer, Quality Assurance Engineer, and Commissioning/Acceptance Engineer. The PET also evaluated the proposed team of rail engineers and their respective qualifications in the various rail vehicle system disciplines.

After reviewing the proposal, staff determined that the proposer met the minimum qualifications.

The proposal was then evaluated based on the following evaluation criteria and points available:

| The Firm's Degree of Skill and Experience | 30 points |
|---|------------|
| Staff Quality of Technical Expertise | 20 points |
| Understanding of Work and Appropriateness of Approach | 30 points |
| for Implementation | |
| Cost Proposal | 20 points |
| Total Points Available: | 100 points |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar consultant support services procurements. Several factors were

considered when developing these weights, giving the greatest importance to the firm's degree of skills and experience and their understanding of the work and appropriateness of approach for implementation.

On January 17, 2024, Hatch gavean oral presentation to Metro which included their approach to project implementation. They also responded to Metro's clarification requests. The PET evaluated Hatch's degree of skills and experience, proposed staff's qualifications and technical expertise, and how well the firm understood the work and its approach to project implementation. Hatch provided satisfactory responses to Metro's clarification requests at the oral interview. Discussions and negotiations were conducted Thursday, February 8, 2024 to review the proposal comments, price proposal, next steps in the procurement schedule, and exceptions and deviations.

A Best and Final Offer (BAFO) request was issued on Friday, February 9, 2024. The firm's BAFO proposal was received on Tuesday, February 20, 2024. Final evaluation and discussion of the BAFO submittal was held on Thursday, February 22, 2024, and used as the basis of the recommendation for award.

1. Qualifications Summary of the Proposer

Hatch Associates Consultants Inc.

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

| 1 | Firm | Average Score | Factor Weight | Weighted Score | Rank |
|---|--|------------------|------------------|-------------------|------|
| 2 | Firm 1- Hatch | | | | |
| 3 | The Firm's Degree of Skills and Experience | 88.33 | 30.00% | 26.50 | |
| 4 | Staff Quality of Technical Expertise | 88.67 | 20.00% | 17.73 | |
| 5 | Understanding of Work and Appropriateness of Approach for Implementation | 88.33 | 30.00% | 26.50 | |
| 6 | Cost Proposal | | 20.00% | 20.00 | |
| 7 | Total | | 100.00% | 90.73 | 1 |

C. Cost Analysis of Element A - Technical Support

The proposed price has been determined to be fair and reasonable based upon price analysis, an Independent Cost Estimate (ICE), and negotiations. A price analysis is sufficient for this recommendation because the single offer was submitted in a competitive environment and the negotiated price is within a reasonable range of the ICE. Although there is a 9% difference between the negotiated price and the ICE, the price analysis revealed that the ICE was developed for a typical new HRV delivery schedule and did not account for the aggressive schedule required for the HR5000 contract. The additional consultant labor needed to support the accelerated HR5000 was estimated at \$2,639,573.27, representing a twelve percent (12%) labor increase. The additional labor factor combined with the ICE is \$23,810,903.62, which is higher than the negotiated amount. The price analysis considered this additional cost element in conjunction with the ICE to make the determination that the negotiated amount is fair and reasonable.

| | Proposer Name | Proposal Amount (Base + 1 Option) | Metro ICE (Base + Option 1) | Negotiated or NTE amount |
|----|---------------|--------------------------------------|-----------------------------------|-----------------------------|
| 1. | Hatch | \$24,298,756.64 | \$21,171,330.35 | \$23,072,507.51 |

The RFP for technical consulting services contained work elements that could be exercised as an option. The Option 1 element consists of technical consulting services for the HR5000 Option 1 – 50 Heavy Rail Vehicles (HRVs) and PF-7 Alternate Technology, if exercised.

D. Background on Recommended Contractor of Element A – Technical Support

The recommended firm, Hatch Associates Consultants Inc., is the North American market leader in supporting the procurement of heavy rail and rapid transit cars. It is noteworthy that Hatch currently provides technical oversight of the HR4000 project, which will ensure continuity and improvement on the HR5000 program with similar vehicle design, features, and functions. Hatch also brings additional resources through its merger with LTK Consulting Services, Inc., back in November 2020. 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.

Hatch engineering expertise include areas such as rail vehicle engineering, transit systems engineering, revenue systems and technology, rail corridor development, zero-emissions planning, operations planning and simulations, optimization, systems assurance, intercity and high-speed, and transit advisory services. Hatch's US business operations are headquartered in Pittsburgh, PA and encompass 23 additional offices, including Ambler, PA, which is home to their Transit Business Unit. Hatch'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. For the HR5000 consulting project, their Los Angeles office will be their primary office.

E. Evaluation of Proposals of Element B - Program Management Support

The Proposal Evaluation Team (PET) consisting of qualified staff from Rail Vehicle Acquisition was convened and conducted a comprehensive technical evaluation of the proposals received:

- 1. AtkinsRealis USA Inc. (Atkins)
- 2. Jacobs Engineering Group Inc. (Jacobs)

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

Fifteen years of experience as a Prime consultant providing program
management consulting services during the post award, production and
delivery periods for a large public transit agency acquiring heavy rail vehicles.

Demonstrated industry experience as a Prime consultant performing similar
work on at least three (3) projects of similar size and scope during the period
from 2008 to the present. Ability to provide qualified staff resources in support
of Agency rail vehicle acquisition programs. Consultant shall provide list of all
major clients who have utilized the Consultant's services during this period.
For each client listed Consultant shall provide contact name, phone number
and email address.

The PET focused their evaluations on the "Key" project team members' historical experience and qualifications in managing similar rail vehicle projects, and the amount of time allocated to the Project. These Key positions include the Senior Vehicle Acquisition Specialist, Senior Systems Engineer, Senior Schedule Analyst, and Senior Inspector. The PET also evaluated the proposed administrative team of contract administrators and administrative staff and their qualifications in the various disciplines.

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 Firm's Degree of Skill and Experience | 30 points |
|---|------------|
| Staff Quality of Technical Expertise | 20 points |
| Understanding of Work and Appropriateness of Approach | 30 points |
| for Implementation | |
| Cost Proposal | 20 points |
| Total Points Possible: | 100 points |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar consultant support services procurements. Several factors were considered when developing these weights, giving the greatest importance to the firm's degree of skills and experience and their understanding of work and appropriateness of approach for implementation.

On January 19, 2024, each proposer, Atkins and Jacobs, gave oral presentations to Metro and described their approach to project implementation and to respond to Metro's clarification requests. The PET evaluated Atkins' and Jacobs' degree of skill and experience, proposed staff qualifications, technical expertise and how each firm understood the work and its approach to project implementation. Both firms provided satisfactory responses to Metro's clarification requests at the oral interview. Discussions and negotiations were conducted with Atkins on Thursday, February 8, 2024 and with Jacobs on Friday, February 9, 2024 to review the proposal

comments, price proposal, next steps in the procurement schedule, and exceptions and deviations.

A Best and Final Offer (BAFO) request was issued on Friday, February 9, 2024. Subsequently, a second round of BAFO was issued on Friday, February 23, 2024. BAFO proposals for both firms were received on Tuesday, February 20, 2024 and Tuesday, February 27, 2024. Final evaluations and discussion of the BAFO submittals were held on Thursday, February 22, 2024 and Wednesday, February 28, 2024 (for the second BAFO). The second BAFO submittal was used as the basis of the recommendation for award.

1. Qualifications Summary of the Proposers:

AtkinsRealis USA Inc (Atkins)

Atkins provided program management and technical consulting support for the Purple Line for Maryland Transit Administration (MTA), Heavy Rail Vehicles for Denver Transit Partners (DTP), MPM-10 Subway Cars for Société de Transport de Montreal (STM), OC Streetcars for the Orange County Transportation Authority (OCTA), and Locomotives and Multi-Level Passenger Cars for Southeastern Pennsylvania Transportation Authority (SEPTA). Atkins also provided consultancy for the procurement of Hyundai Rotem vehicles for the Denver Eagle Heavy Rail and Canada Line Metro projects.

Jacobs Engineering Group, Inc. (Jacobs)

Jacobs is currently providing technical support services, as a subcontractor for Metro's HR4000 project for 64 cars, P2000 overhaul, P2550 overhaul, and P3010 Light Rail Vehicle (LRV) acquisition. Jacobs' history of providing consulting services for Metro started with the A650 Heavy Rail Vehicle (HRV) acquisition. Jacobs is also providing technical and managerial support for the New York City Transit R211HRV Acquisition project for 1175 (437 options) cars. Lastly, Jacobs completed their lead consultant work on the Bay Area Rapid Transit, D&E Series HRV Acquisition for 404 cars.

| 1 | Firm | Average Score | Factor Weight | Weighted Score | Rank |
|---|--|------------------|------------------|-------------------|------|
| 2 | Firm 1- Atkins | | | | |
| 3 | The Firm's Degree of Skills and Experience | 80.50 | 30.00% | 24.15 | |
| 4 | Staff Quality of Technical Expertise | 78.83 | 20.00% | 15.77 | |
| 5 | Understanding of Work and Appropriateness of Approach for Implementation | 77.17 | 30.00% | 23.15 | |
| 6 | Cost Proposal | | 20.00% | 16.18 | |
| 7 | Total | | 100.00% | 79.25 | 1 |

| 1 | Firm | Average Score | Factor Weight | Weighted Score | Rank |
|---|--|------------------|------------------|-------------------|------|
| 2 | Firm 2- Jacobs | | | | |
| 3 | The Firm's Degree of Skills and Experience | 72.67 | 30.00% | 21.80 | |
| 4 | Staff Quality of Technical Expertise | 68.33 | 20.00% | 13.67 | |
| 5 | Understanding of Work and Appropriateness of Approach for Implementation | 66.67 | 30.00% | 20.00 | |
| 6 | Cost Proposal | | 20.00% | 20.00 | |
| 7 | Total | | 100.00% | 75.47 | 2 |

F. Cost Analysis of Element B - Program Management Support

The proposed prices have been determined to be fair and reasonable based upon price analysis, an Independent Cost Estimate (ICE), and negotiations. A price analysis is sufficient for this recommendation because there is adequate competition for Element B and the negotiated price from the highest rated Proposer is within a reasonable range of the ICE. The negotiated amount from the highest rated Proposer is \$11,263,545.59. This amount represents a difference of sixteen percent (16%) between the negotiated amount and the ICE. The ICE for Element B was developed similarly to Element A and was structured for a typical new HRV delivery schedule. This ICE for Element B did not account for the aggressive schedule required for the HR5000 contract. The additional consultant labor needed to support the accelerated HR5000 schedule was estimated at

\$957,121.41, representing a ten percent (10%) labor increase for this Element. The additional labor factor combined with the ICE totals \$10,618,932.85, bringing the difference from the highest rated Proposer's negotiated amount to six percent (6%). The price analysis considered this additional cost element in conjunction with the ICE to make the determination that the negotiated amount from the highest rated Proposer is fair and reasonable.

| | Proposer Name | Proposal Amount | Metro ICE (Base + Option 1) | Negotiated or NTE amount |
|----|---------------|--------------------|-----------------------------------|--------------------------|
| 1. | Atkins | \$12,514,395.44 | \$9,661,811.44 | \$11,263,545.59 |
| 2. | Jacobs | \$9,573,563.31 | \$9,661,811.44 | \$9,110,625.97 |

The RFP for program management consulting services contained work elements that could be exercised as an option. The Option 1 element consists of program management consulting services for the HR5000 Option 1 – 50 Heavy Rail Vehicles (HRVs) and PF-7 Alternate Technology, if exercised.

G. <u>Background on Recommended Contractor of Element B – Program Management Support</u>

The recommended firm, AtkinsRealis USA Inc. (Atkins) was founded in 1960 and is considered a world-leading engineering, design, and project management services provider across sectors which include rail and transit, ports, airports, highways, and power. They are one of the largest engineering, procurement, and construction companies with over 37,000 employees worldwide, and offices in over 160 countries. They have proven their ability to provide comprehensive services across the full life cycle of procurement programs for all equipment types including heavy rail, light rail, and high-speed rail. In addition, they have proven capabilities supporting rail vehicle acquisition programs with program management and engineering oversight with a particular focus on ensuring large-scale rail vehicle procurements are delivered on-time, within budget, and in full compliance with contract and regulatory requirements. Their U.S. Rail and Transit Group consists of over 100 professionals and has been servicing the U.S. market for over 35 years.

Recommendation for award may or may not be made to the lowest-priced Proposal. Although the recommendation for award is being recommended to a proposer other than the lowest price offeror, the PET believes that the Atkins proposal represents the best opportunity to meet LACMTA's project goals.

DEOD SUMMARY

CONSULTANT SUPPORT SERVICES FOR NEW HR5000 HEAVY RAIL VEHICLE (HRV) PROCUREMENT / PS117580

A. Small Business Participation – Element A

The Diversity and Economic Opportunity Department (DEOD) established a 27% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Hatch Associates Consultants, Inc. exceeded the goal by making a 29.27% DBE commitment.

| Small Business | 16% DBE | Small Business | 29.27% DBE |
|----------------|---------|----------------|------------|
| Goal | | Commitment | |
| | | | |

| | DBE Subcontractor | Ethnicity | % Committed |
|----|---------------------------------|-------------------|-------------|
| 1. | Ramos Consulting Services, Inc. | Hispanic American | 11.08% |
| 2. | Virginkar & Associates, Inc. | Asian Pacific | 18.19% |
| | | American | |
| | | Total Commitment | 29.27% |

B. Small Business Participation – Element B

The Diversity and Economic Opportunity Department (DEOD) established a 27% Disadvantaged Business Enterprise (DBE) goal for this solicitation. AtkinsRealis USA, Inc. exceeded the goal by making a 27.31% DBE commitment.

| Small Business | 11% DBE | Small Business | 27.31% DBE |
|----------------|---------|----------------|------------|
| Goal | | Commitment | |
| | | | |

| | DBE Subcontractor | Ethnicity | % Committed |
|----|--|-------------------|-------------|
| 1. | Capitol Government Contract Specialist | Caucasian Female | 19.99% |
| 2. | Raul V. Bravo + Associates | Hispanic American | 7.32% |
| | | Total Commitment | 27.31% |

C. Local Small Business Enterprise (LSBE) Preference

The LSBE preference is not applicable to federally funded procurements. Federal law (49 CFR § 661.21) prohibits the use of local procurement preferences on FTA-funded projects.

D. Living Wage and Service Contract Worker Retention Policy Applicability

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

E. Prevailing Wage Applicability

Prevailing Wage is not applicable to this contract.

F. Project Labor Agreement/Construction Careers Policy

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