

**Board Report**

File #: 2024-1128, **File Type:** Contract**Agenda Number:** 20.

**OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
MARCH 20, 2025****SUBJECT: METRO B AND D LINES UNINTERRUPTIBLE POWER SUPPLY BATTERIES****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to amend Contract No. OP44570-2000B with Skyler Electric Company, Inc., in the amount of \$1,403,491 for Task Order No. 9, to provide Uninterruptible Power Supply (UPS) Batteries for Metro B and D Lines, increasing the cumulative Not-to-Exceed (NTE) contract amount from \$3,468,400 to \$4,871,891.

ISSUE

The battery banks for the UPS systems at six Metro B and D Line subway stations are nearing the end of their useful life and require replacement. These battery banks provide critical backup power, ensuring the uninterrupted operation of emergency lighting, communication, and Fire Life Safety (FLS) systems during utility power outages or fluctuations. This backup power is essential for maintaining the safety of passengers and employees, especially during station evacuations caused by utility outages. To proceed with the replacements, an increase in funding is necessary to award a task order for the battery banks.

BACKGROUND

In October 2018, the Board approved establishing a task order bench contract under Request for Information and Qualification (RFIQ) No. OP44570-2. The contract award was made to two firms, M.C. Dean, Inc., and Skyler Electric Company, Inc. The purpose of the contract was to supply and install UPS batteries at B and D Line subway stations to replace aging batteries nearing the end of their useful life. The contract was authorized for a total of \$2,244,000 for a two-year base period, with an additional \$1,000,000 allocated for three one-year options, resulting in a total not-to-exceed amount of \$3,468,400, inclusive of Contract Modification Authority (CMA). A no-cost contract modification was executed to extend the period of performance through May 30, 2025. Task orders totaling \$3,405,800.53 have been awarded to date. Skyler Electric Company, Inc. submitted a proposal in alignment with Metro's specifications and delivery requirements and M.C. Dean, Inc. has been non-responsive to past requests. The issuance of Task Order No. 9 will be to Skyler Electric Company, Inc. Refer to Attachment B which shows the task order history log and the locations of UPS battery replacements.

DISCUSSION

Batteries for a total of 17 UPS units were replaced under the original contract scope. However, as the work progressed, an additional 6 UPS units were identified as needing battery replacement, leading to an expansion of the project scope. In addition, battery costs have escalated since 2018 due to rising raw material prices for lithium, cobalt, and nickel, partly caused by increased demand from renewable energy and electric vehicle production. The increase in prices and expansion of the project scope contributed to the additional amount needed for Contract No. OP44570-2000B.

The project work scope under Task Order No. 9 is to replace the UPS battery banks for six stations: North Hollywood, Universal City, Hollywood/Western, Wilshire/Normandie, Hollywood/Vine, and Vermont/Beverly. These UPS battery systems provide backup power for critical infrastructure in the event of a power outage for emergency lighting, fire alarm panels, emergency ventilation control panels, and communications, such as TPIS (Transit Passenger Information Systems) monitors, cameras, radios, emergency / public telephones, public announcements, train control and Supervisory Control and Data Acquisition (SCADA). In the event of a utility power loss, each station uses emergency backup battery banks capable of supplying up to four hours of power. This ensures the functionality of the critical systems and allows the safe evacuation of passengers and employees in the event of an emergency on the subway system.

The work on the battery bank replacements under Task Order No. 9 will be the final task order issued under Contract No. OP44570-2000B. Separately, the Operations Engineering Department is actively preparing to procure a new contract dedicated to UPS battery banks, which will address the replacement of aging UPS batteries across the Metro rail network.

The replacement of UPS batteries is part of the Capital Improvement Program (CIP), which aims to renew transit infrastructure assets.

DETERMINATION OF SAFETY IMPACT

UPS batteries are safety components that ensure the proper functioning of critical systems, including emergency lighting in tunnels and passenger stations, communication networks, and FLS control systems. In underground rail stations, these systems are essential for guiding passengers to safety during power outages or emergencies. Without reliable UPS batteries, critical systems may fail to operate when needed most.

FINANCIAL IMPACT

This action will be funded from capital project 205126 - B and D Line UPS Batteries. The project was approved with a Life-of-Project (LOP) budget of \$5,640,000. It is within the project LOP). The Project Manager will ensure that the balance of funds is budgeted in future fiscal years.

Impact to Budget

The current source of funds for this action is Measure R 2%, which is eligible for Capital Projects.

This funding source maximizes the project funding allocation intent allowed by its approved provisions and guidelines.

EQUITY PLATFORM

The equity benefits of this action enhance the safety of Metro riders along transit lines that directly provide service for Equity Focus Communities (EFCs), specifically for low-income riders who are the primary users of the Metro system.

The B and D Lines serve numerous communities with a high EFC concentration, including Westlake/MacArthur Park, Koreatown, Hancock Park, Hollywood, East Hollywood, and North Hollywood. They also serve as a key transfer connection to other Metro rail lines and multiple bus lines for workers, students, and residents in these EFCs.

This task order bench contract promotes the inclusion of small business and disabled veteran business enterprise participation goals to ensure fairness and equitable opportunities for smaller contractors. Skyler Electric Company committed to a 5% Small Business Enterprise (SBE) and a 3% Disabled Veteran Business Enterprise (DVBE) participation on this task order-based contract. Currently, based on task order awards and payments, the participation levels stand at 4.44% for SBE and 2.14% for DVBE. Skyler Electric Company (SEI) has a shortfall mitigation plan on file and contends, and concurred by Metro's Project team, open orders with both SBE and DVBE subcontractors are still pending. SEI stated that once these orders are received and payment is reported, the company expects to meet its commitment goals. See Attachment C for the DEOD Summary information.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit. * Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through State of Good Repair (SGR) investments to renew UPS batteries, which provide backup power to critical systems at Metro B and D Line stations. These SGR investments further encourage transit ridership, ridesharing, and active transportation. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation aligns with Metro's Strategic Plan by advancing Goal No.2, which is

to deliver outstanding trip experiences for all transportation system users, and Goal No. 3, which is to enhance communities and lives through mobility and access to opportunity.

ALTERNATIVES CONSIDERED

The Board may choose not to increase the Contract Modification Authority for Contract No. OP44570-2000B. However, this is not recommended. The alternative of purchasing UPS batteries individually would result in higher costs and a longer time to procure.

NEXT STEPS

Upon Board approval of the recommendations, staff will amend Contract No. OP44570-2000B and award Task Order No. 9 needed to proceed with the project work.

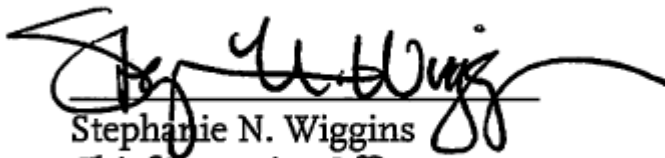
ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Task Order Log
- Attachment C - DEOD Summary

Prepared by:

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- Debra Avila, Deputy Chief Vendor/Contract Management, (213) 418-3051

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



Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

METRO B AND D LINES UNINTERRUPTIBLE POWER SUPPLY (UPS) BATTERIES/OP44570-2000B

1.	Contract Number: OP44570-2000B		
2.	Contractor: Skyler Electric Company, Inc.		
3.	Mod. Work Description: Additional UPS batteries for Metro B Line (formerly the Red Line)		
4.	Work Description: Provide, install, and commission six UPS batteries.		
5.	The following data is current as of: January 8, 2025		
6.	Contract Completion Status:		Financial Status:
	Award Date:	11/13/2018	Board Approved NTE Amount: \$2,244,000
	Notice to Proceed (NTP):	1/31/2019	Total Contract Modification Authority (CMA) + Options: \$224,400 \$1,000,000
	Original Completion Date:	11/13/2023	Value of Task Orders and Mods. Issued to Date (including this action): \$4,809,291.53
	Current Est. Complete Date:	5/30/2025	Remaining Board Approved Amount: \$62,599.47
7.	Contract Administrator: Anush Beglaryan		Telephone Number: (213) 418-3047
8.	Project Manager: Winston Dixon		Telephone Number: (213) 922-3323

A. Contract Action Summary

This Board Action is to approve Task Order No. 9, under Contract No. OP44570-2000B for the purchase and installation of six Uninterruptible Power Supply (UPS) batteries, in support of Metro’s Maintenance of Way (MOW) Department for the Metro B Line Station (Formerly the Red Line).

All Task Orders and Contract Modifications are handled in accordance with Metro’s Acquisition Policy. The contract type is an indefinite delivery/indefinite quantity.

In October 2018, Metro’s Board of Directors approved the award of a bench Contract for goods and services for a two-year base period in the amount of \$2,244,000 and three one-year options in the amount of \$1,000,000 for a cumulative not-to-exceed value of \$3,244,000 and Contract Modification Authority in the amount of \$224,400.

Refer to Attachment B, Task Order Log for details on Task Orders issued to date.

B. Cost/Price Analysis

The recommended price has been determined to be fair and reasonable based on price analysis, technical evaluation, and an Independent Cost Estimate (ICE).

Proposal Amount	Metro ICE	Recommended Amount
\$1,403,491	\$1,420,000	\$1,403,491

**TASK ORDER LOG
METRO B AND D LINES UNINTERRUPTIBLE POWER SUPPLY (UPS)
BATTERIES/OP44570-2000B**

Task Order No.	Description	Status (approved or pending)	Date	Amount
1	Batteries for Hollywood/Highland UPS East, Vermont/Santa Monica UPS South, Union Station UPS East, Hollywood/Vine UPS West	Approved	1/31/19	\$764,506.00
2	Batteries for Wilshire/Western UPS East, Hollywood/Highland UPS West, Vermont/Beverly UPS South, Union Station UPS West	Approved	4/24/20	\$458,205.00
3	Batteries for Vermont/Santa Monica UPS North, 7th Metro Station UPS East	Approved	1/6/21	\$176,540.00
4	Task Order Canceled	-	-	-
5	Battery for Hollywood/Western UPS East	Approved	11/23/22	\$224,153.71
6	Batteries for Solar Drive UPS, North Hollywood UPS South, Civic Center UPS North	Approved	9/20/23	\$957,419.82
7	Batteries for Wilshire/Normandie UPS West, Pershing UPS North, Universal City Station UPS North	Approved	12/23/24	\$824,976.00
8	Task Order Canceled	-	-	-
9	Batteries for North Hollywood UPS North, Vermont/Sunset UPS North, Hollywood/Western UPS West, Wilshire/Normandie UPS East, Hollywood/Vine UPS East, Vermont/Beverly Stations UPS North	Pending	3/27/25	\$1,403,491.00
	TO Total:			\$4,809,291.53
	Original Contract:		11/13/18	\$2,244,000.00
	Options Total:			\$1,000,000.00
	CMA:			\$ 224,400.00
	Remaining CMA:			\$ 62,599.47

DEOD SUMMARY

**METRO B AND D LINES UNINTERRUPTIBLE POWER SUPPLY
BATTERIES/OP4570-2000B**

A. Small Business Participation

Skyler Electric, Inc. (SEI) made an overall 5% Small Business Enterprise (SBE) and a 3% Disabled Veteran Business Enterprise commitment on this Task Order (TO) based contract. SEI has been awarded eight (8) TO's to date. Based on payments, the project is 56% complete and the overall level of participation is 4.44% SBE and 2.14% DVBE, representing shortfalls of the commitments by 0.56% SBE and 0.86%.

SEI has a shortfall mitigation plan on file and contends, and concurred by Metro's Project team, that the shortfall is due to the SBE and DVBE work on the task orders being widely spaced apart and therefore the orders with these firms are placed throughout the entire life of the contract. SEI further contends that there are existing open orders with both subcontractors and once received and reported, SEI should meet their target numbers.

Small Business Commitment	5.00% SBE 3.00% DVBE	Small Business Participation	4.44% SBE 2.14% DVBE
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	SBE Subcontractors	% Committed	Current Participation¹
1.	South Bay Transportation, Inc.	TBD	4.44%
	SBE Participation	5.00%	4.44%

	DVBE Subcontractors	% Committed	Current Participation¹
1.	SigTel, Inc.	TBD	2.14%
	DVBE Participation	3.00%	2.14%

¹Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

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

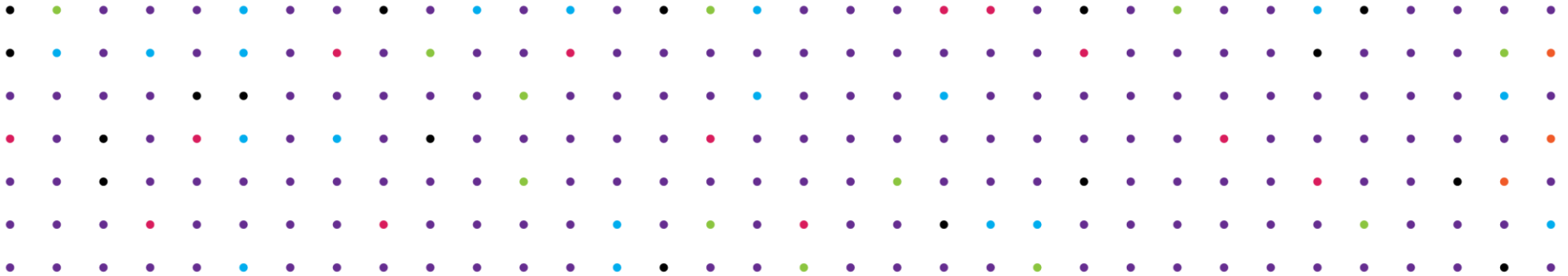
Prevailing Wage requirements are applicable to this contract. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

D. Project Labor Agreement/Construction Careers Policy

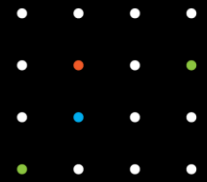
Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.

Metro B and D Lines Uninterruptible Power Supply (UPS) Batteries

March 20, 2025



Recommendation & Issue



Recommendation

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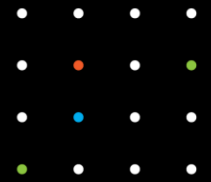
Issue

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Background



Task Order Awardee

Skyler Electric Company

Number of Bids

One

DEOD Commitment

5% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE)

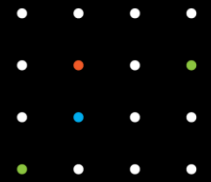
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