



Board Report

File #: 2025-0340, **File Type:** Contract

Agenda Number: 31.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE JUNE 18, 2025

SUBJECT: P3010 LIGHT RAIL VEHICLE (LRV) COUPLER OVERHAUL

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a firm fixed unit price contract, Contract No. TS127584000 to Dellner, Inc. for the P3010 Light Rail Vehicle (LRV) Coupler Overhaul, in an amount Not-To-Exceed (NTE) \$8,792,530.00, for a period of 60 months from issuance of a Notice to Proceed, subject to the resolution of any properly submitted protest(s), if any.

ISSUE

The Original Equipment Manufacturer (OEM), Dellner, Inc., identified and established an equipment overhaul schedule for the coupler assembly at the 600,000-mile interval. This overhaul is not routine maintenance but a complete teardown, inspection, and replacement of worn parts with new ones. The coupler assembly provides mechanical and electrical coupling between railcars, as there are 2 couplers per LRV. Overhauling couplers at this interval minimizes equipment failures while maintaining the fleet in a constant state of good repair.

BACKGROUND

At its August 2012 meeting, the Board awarded Kinkisharyo International LLC a contract for the purchase of 78 P3010 Light Rail Vehicles (LRV), including four options for a total of 235 vehicles. The P3010 fleet was placed in revenue service between 2016-2023, and with the Regional Connector opening, the fleet operates on all of Metro's light rail lines.

The P3010 fleet is Metro's newest and most reliable light rail fleet, with consistent performance, reliability, and safety at over 99,448,995 fleet miles. In order to maintain its reliability and safety, component level overhauls are required on its key systems.

The P3010 fleet Car builder and OEM identified and established a component overhaul plan/schedule for the overhaul of key vehicle systems occurring at the 600,000-mile interval. The coupler assembly provides mechanical coupling and electric signal communications between railcars for multiple train consists.

The P3010 light rail car fleet manufacturer, Kinkisharyo, along with its sub-suppliers, identified component level overhauls to vehicle systems, such as friction brake, propulsion, doors, truck assembly (inclusive of traction motor and gearbox), propulsion/auxiliary power supply, coupler, master controller, pantograph, as well as Heating Ventilation and Air Conditioning (HVAC) equipment. The P3010 component-level overhaul projects necessitate Board authorization for 10 separate contracts over a 5-year period. To date, the Board has approved 5 of 10 overhaul or new purchase contracts, including friction brake, truck systems, battery, slewing ring, and high-speed circuit breaker contracts.

DISCUSSION

The P3010 fleet Component Overhaul project consists primarily of the repair and replacement of vehicle wear items that require overhaul or replacement of the vehicle's 30-year design life with targeted mileage intervals of 600,000 miles. Rail Fleet Services (RFS) staff will perform the removal, installation, and testing of the overhauled or new equipment.

Metro's Transit Vehicle Engineering (TVE) Department, along with RFS staff, performed a technical review of the OEM component overhaul tasks and are in concurrence with the work scope and overhaul schedule as described in the Heavy Repair Maintenance Manual. TVE developed the Statement of Work for this project, ensuring the Contractors followed Federal Transit Administration (FTA), Association of American Railroads (AAR), California Public Utilities Commission (CPUC), and Metro's Corporate Safety Standards.

The rail car manufacturer recommends an overhaul of the coupler assembly at the 600,000-mile interval for inspection/replacement of worn parts, including the coupling device, switches, electrical contacts, and hydraulic dampener.

DETERMINATION OF SAFETY IMPACT

Passenger safety is of the utmost importance to Metro. The P3010 coupler assembly, two per LRV, is an integral component of the LRV operation as the mechanical/electrical interface between trains for safe and reliable operations. Timely replacement of these components will ensure that safety is preserved by overhauling the coupler assemblies into new condition as defined by the OEM, while achieving regulatory compliance within state and federal regulations, including Metro's corporate safety standards.

FINANCIAL IMPACT

Funding in the amount of \$8,792,530.00 for the coupler assembly overhaul is included in the FY26 budget under approved Capital Project (CP) 214009 - P3010 Fleet Component Overhaul.

Since this is a multi-year project, the cost center Component Overhaul Superintendent, Division Director, and Sr. Executive Officer of Rail Fleet Services will ensure that the balance of funds is budgeted in future years.

Impact to Budget

The current source of funds for this action is Measure M, State of Good Repair 2%. This funding is eligible for Capital Projects. Given approved funding provisions and guidelines, using these funding sources maximizes project funding intent.

EQUITY PLATFORM

Metro's P3010 LRV fleet provides vital transportation services throughout the County of Los Angeles via A, C, E, and L lines. This includes many underserved communities where regional disparities exist between residents' access to jobs, housing, education, health, and safety. Metro's light rail vehicle maintenance programs maintain the fleet's operations within federally mandated State of Good Repair standards ensuring reliable service, especially for those within the communities that rely on public transportation.

The Diversity and Economic Opportunity Department (DEOD) did not recommend Small Business Enterprise (SBE and Disabled Veteran Business Enterprise (DVBE) participation goals for this procurement due to a lack of subcontracting opportunities.

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 statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

This item supports Metro's systemwide strategy to reduce VMT through rail vehicle equipment purchase activities that will maintain and 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 the P3010 fleet coupler assembly overhaul supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. This component-level overall project ensures sustained fleet reliability, including safe, accessible, and affordable transportation for all riders of Metro's light rail system. The recommendation supports Metro's Strategic Plan Goal 5) Provide Responsive, Accountable, and Trustworthy governance within the Metro organization. Contract Modification Authority and Contract extension safeguard overhaul production continuance while meeting passenger safety and fleet reliability.

ALTERNATIVES CONSIDERED

An alternative is to defer the coupler overhaul assembly. However, this alternative is not recommended as the coupler is a vital and safety-sensitive component that could cause a mechanical failure with no coupling for multiple trains.

NEXT STEPS

Upon Board approval, staff will execute Contract No. TS127584000 of light rail vehicle coupler assembly with Dellner, Inc. The staff will return to the Board for approval of additional overhaul contract awards, including master controller, low voltage power supply/propulsion, heating, ventilation/air-conditioning, and pantograph overhauls.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Stephanie Wiggins

Chief Executive Officer

PROCUREMENT SUMMARY

**P3010 LIGHT RAIL VEHICLE (LRV) COUPLER OVERHAUL/CONTRACT NUMBER
TS127584000**

1.	Contract Number: TS127584000	
2.	Recommended Vendor: Dellner, Inc	
3.	Type of Procurement (check one): ☐ IFB ☒ RFP ☐ RFP-A&E ☐ Non-Competitive ☐ Modification ☐ Task Order	
4.	Procurement Dates:	
	A. Issued : 10/30/2024	
	B. Advertised/Publicized: 10/31/2024	
	C. Pre-Proposal Conference: 11/06/2024	
	D. Proposals Due: 12/20/2024	
	E. Pre-Qualification Completed: 01/08/2025	
	F. Conflict of Interest Form Submitted to Ethics: 12/24/2024	
	G. Protest Period End Date: 06/23/2025	
5.	Solicitations Picked up/Downloaded: 14	Bids/Proposals Received: 1
6.	Contract Administrator: Mildred Martinez	Telephone Number: 213-922-4753
7.	Project Manager: Richard Lozano	Telephone Number: 213-792-8047

A. Procurement Background

This Board Action is to approve the award of Contract No. TS127584000 to Dellner, Inc. for the P3010 Light Rail Vehicle (LRV) Coupler Overhaul. Dellner, Inc. will restore or overhaul the Coupler Assembly equipment to perform like new, meet like new reliability standards, and maintain a State of Good Repair. Board approval of contract award is subject to resolution of any properly submitted protest, if any.

On October 30, 2024, Request for Proposals (RFP) No. TS127584 was issued as a competitive procurement in accordance with Metro's Acquisition Policy. The proposed contract type is firm fixed unit price. Proposers were allowed to submit proposals for services to be provided either at their own facility or at Metro's Division 16, or both. The Diversity and Economic Opportunity Department (DEOD) did not recommend a Small Business Enterprise (SBE and/ Disabled Veteran Business Enterprise (DVBE)(SBE/DVBE) participation goals for this procurement due to lack of subcontracting opportunities.

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

- Amendment No. 1, issued on November 14, 2024, revised Section IV. Contract Documents, GC-33 Warranty*, Exhibit A – Scope of Services, and added Exhibit H – P3010 Los Angeles LRV Section 0300 Heavy Rail Maintenance Manual and Exhibit I – P3010 Los Angeles LRV Section 0300 Heavy Running Maintenance & Servicing Manual.

- Amendment No. 2, issued on November 22, 2024, revised LOI-01 Notice and Invitation, LOI-14 Critical Dates and Submittal Requirements (proposal due date extended), ARTICLE IV Compensation and Payment (retention removed), SP-13 Liquidated Damages (retention removed), SP-16 Subcontract Administration (removed retention), and added IV. CONTRACT DOCUMENTS (SAMPLE) GC-45 CONTRACTOR'S OBLIGATIONS.
- Amendment No. 3, issued on November 26, 2024, revised Exhibit C – Work-Completion/Deliverable Schedule and added Exhibit C-1 Milestone Completion Schedule under Section IV. CONTRACT DOCUMENTS (SAMPLE).
- Amendment No. 4, issued on March 14, 2025 added Attachment 1 – All Accepted Exceptions and Deviations to the RFP document and requested the BAFO submission no later than March 17, 2025.
- Amendment No. 5, issued on March 17, 2025 revised the due date for BAFO submission to March 18, 2025.

One proposal was received on December 20, 2024 by Dellner, Inc. Dellner submitted one scope of work with two separate site locations in their proposal. The first location included providing coupler overhaul work at their own facility in Roseville, California. Their alternate location included providing coupler overhaul work at Metro's Division 16 as allowed in the solicitation.

Metro staff conducted a market survey of the firms on the planholder's list to determine why no other proposals were submitted in response to RFP No. TS127584. Survey responses were received from 3 firms and included not having the capacity to provide the services as a prime contractor as they were a small business and not being able to provide the entirety of the work as they only provided logistics support.

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 coupler overhaul work based on their years of experience and availability of technical staff. Therefore, the solicitation was determined not to be restrictive and can be awarded as a competitive award.

B. Evaluation of Proposal

The Proposal Evaluation Team (PET) consisted of qualified staff from Rail Fleet Services, Transit Vehicle Engineering, and Bus Acquisition. The PET was convened and conducted a comprehensive technical evaluation of the proposal received.

The PET focused their evaluations on the Proposed Work Scope including review of the draft Work Plan, estimated Project Schedule, and draft test and inspection plan. Other areas of focus included Technical Capability, or the proposer's ability to perform and overhaul work of couplers of similar size and capacity, have certified technicians on staff, and past projects of similar size and scope within three years of the preceding date of the proposal. The PET also evaluated the proposed project management team of project managers, engineers, quality assurance staff, supervisory staff, and technical staff and their qualifications relevant to overhaul coupler work.

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

Past Performance	15 points
Project Management	15 points
Technical Capability	20 points
Cost Proposal	20 points
Proposed Work Scope	30 points
Total Points Available:	100 points

The evaluation criteria are appropriate and consistent with criteria developed for other, similar component overhaul work procurements. Several factors were considered when developing these weights, giving the greatest importance to the firm's work scope and technical capability.

On February 21, 2025, discussions and negotiations were conducted with representatives of Dellner, Inc. 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 March 14, 2025. The firm's BAFO proposal was received on Tuesday, March 18, 2025. Final evaluation and discussion of the BAFO submittal was held on April 14, 2025 and used as the basis of the recommendation for award.

A. Qualifications Summary of the Proposer

Dellner, Inc. presently supports their North American customer base of 40+ transit authorities, all major passenger rail vehicle manufacturers/maintainers, and Maintenance of Way equipment manufacturers through successful implementation of their Business Management System (BMS) and strict adherence of their Quality Manual. Dellner's project management team brings 50+ combined years of experience in successfully completing Automatic Coupler overhaul programs for transit companies including Phoenix APM, Sound Transit (Seattle), SCVTA (Santa Clara) and Metro's P2550. Dellner's Roseville Facility is presently managing four

overhaul programs, one of which will be completed in early 2025, making room for the P3010 coupler overhaul work.

1	Firm	Average Score	Factor Weight	Weighted Score	Rank
2	Dellner, Inc.				
3	Past Performance	90.0	15.00%	13.5	
4	Project Management	100.0	15.00%	15.0	
5	Technical Capability	83.3	20.00%	16.7	
6	Cost Proposal	100.0	20.00%	20.0	
7	Proposed Work Scope	82.8	30.00%	24.8	
8	Total		100.00%	90.0	1

B. Cost Analysis

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 below the ICE. One of the reasons for the difference between the ICE and the final negotiated not-to-exceed amount is due to an overestimation of assumed inflation on the average cost of a coupler overhaul per kit (compared to the P2550 coupler overhaul in 2018 where quantities were lower). In addition to an overestimation of assumed inflation, economies of scale dictated a lower cost per kit for a higher number of units requested in the SOW, as compared to previous contracts. As the OEM, Dellner has already performed a Condition Assessment of a P3010 coupler to understand the true condition of the fleet and created a detailed overhaul plan based on the Technical Specifications and coupler condition assessment evaluation. Lastly, the overhaul work will take place at Dellner's Roseville, California facility, the same location where similar work is being performed for Metro's P2550 project. The P2550 project is expected to be completed in early 2025, thus freeing up resources and staff for the continuation of support to Metro. All of these factors have contributed to a cost savings of 43% for the P3010 LRV Coupler Overhaul.

	Proposer Name	Proposal Amount (BAFO)	Metro ICE	Negotiated or NTE amount
1.	Dellner, Inc.	\$8,792,530.00	\$15,612,200.00	\$8,792,530.00

C. Background on Recommended Contractor

The recommended firm, Dellner, Inc. (Dellner), was established in 1987 and has since steadily grown in their business of manufacturing new, repairing and overhauling existing, and supporting transit authorities directly in their use of Dellner automatic and semi-permanent couplers specific to rail passenger transit applications. Dellner's North American headquarters are based in Charlotte, North Carolina and they operate a complete overhaul and repair facility in Roseville, California. In the last five years, Dellner has evaluated, repaired, and overhauled over 500 couplers of similar design, size, and capacity. They have over 25 years of experience evaluating, repairing and overhauling Coupler kits of similar design, size, and capacity.

DEOD SUMMARY

P3010 LIGHT RAIL VEHICLE (LRV) COUPLER OVERHAUL / TS127584000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not recommend a Small Business Enterprise (SBE)/Disabled Veteran Business Enterprise (DVBE) participation goal for this procurement due to the lack of subcontracting opportunities. Dellner, Inc. will perform the services of this contract with its own workforce.

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

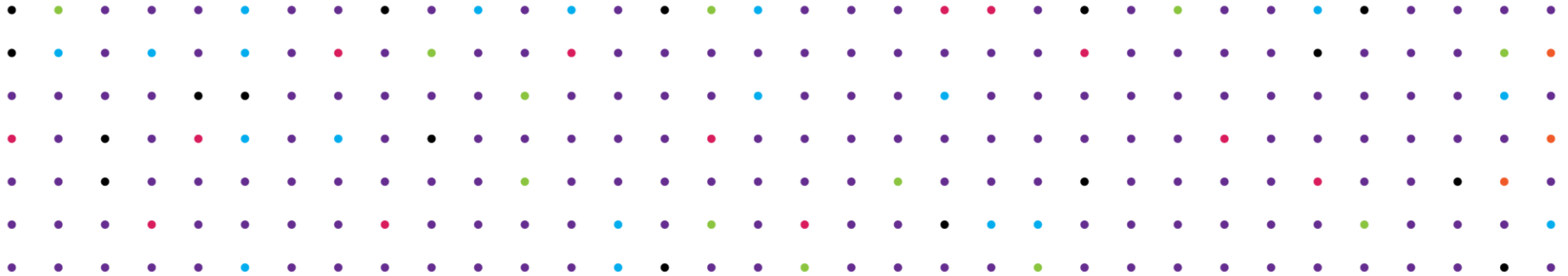
Prevailing Wage is not applicable to this contract.

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.

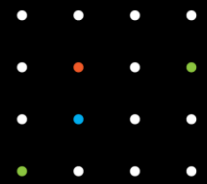
RAIL FLEET SERVICES

P3010 Light Rail Vehicle Coupler Assembly Component Overhaul



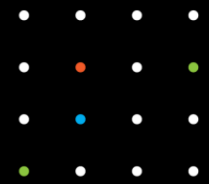
Operations, Safety, & Customer Experience Committee Meeting
June 18, 2025

RECOMMENDATION



AUTHORIZE the Chief Executive Officer to award a firm fixed price Contract No. TS127584000 to Dellner Inc., in the amount of \$8,792,530.00 to transport, inspect, overhaul and test Metro's P3010 coupler assembly, subject to resolution of any properly submitted protest(s), if any.

ISSUE & DISCUSSION



AWARDEE

Dellner Inc.

NUMBER OF BIDS/PROPOSALS

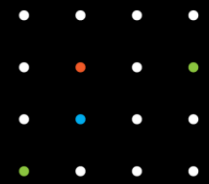
Bidders	Bid Amount
Dellner Inc.	\$8,792,530.00

DEOD COMMITMENT

The Diversity and Economic Opportunity Department (DEOD) does not recommend a Small/Disabled Veteran Business Enterprise (SBE/DVBE) participation goal for this procurement due to a lack of subcontracting opportunities. The below explains ICE difference may be removed but included for the roundtable discussion.

The reason for the difference between the ICE and the final negotiated not-to-exceed amount was due to an overestimation of assumed inflation on the average cost of a coupler overhaul per kit and inclusion of out-of-scope costs on the ICE.

ISSUE & DISCUSSION



ISSUE

The Original Equipment Manufacturer (OEM), Dellner Inc., identified and established an equipment overhaul schedule for the coupler assembly at the 600,000-mile interval. This overhaul is not routine maintenance but a complete teardown, inspection, and replace worn parts with new.

DISCUSSION

The coupler assembly provides mechanical and electrical coupling between railcars, there are 2 couplers per vehicle, overhauling couplers at this interval minimizes equipment failures while maintaining the fleet in constant state of good repair.