

**Metro**Los Angeles County
Metropolitan Transportation AuthorityOne Gateway Plaza
Los Angeles, CA 90012-2952213.922.2000 ext
metro.net**SYSTEMS SAFETY AND OPERATIONS COMMITTEE
JANUARY 17, 2013****SUBJECT: P2000 LIGHT RAIL VEHICLE FRICTION BRAKE OVERHAUL****ACTION: RATIFY CONTRACT AWARD****RECOMMENDATION**

- A. Ratify the award of a firm fixed price contract to Wabtec Passenger Transit for friction brake overhaul services of 52 P2000 Light Rail Vehicles (LRV) for an amount not-to-exceed \$1,664,000.
- B. The Board finds that there is only a single source of procurement for the overhaul of the friction brake equipment on the P2000 LRV fleet (P2000 LRV). The purchase is for the sole purpose of overhauling existing friction brake equipment for continued safe operations. The Board hereby authorizes the purchase of overhaul services for the P2000 LRV friction brakes equipment pursuant to Public Utilities Commission Code Section 130237.

Requires Two-Thirds Vote**ISSUE**

At the December 13, 2012 board meeting, there were an insufficient number of directors to constitute a two thirds vote for this single source procurement. Therefore, the CEO notified the Board that due to the critical and safety sensitive nature of the friction brake overhaul services for the P2000 LRV fleet, staff would be directed under his authority to immediately proceed with the award and request a ratification from the Board at the January 2013 Board meeting.

DISCUSSION

The P2000 LRV fleet is in its 17th year of operation and to ensure a continued level of vehicle safety and reliability, Metro overhauls the friction brake system equipment consistent with the Original Equipment Manufacturer (OEM) suggested overhaul interval. This procurement is for the acquisition of friction brake overhaul services which are required for the safe and reliable operation of the P2000 LRV fleet.

Wabtec is the OEM of the P2000 LRV brake equipment and is the only contractor that can provide effective and efficient friction brake overhaul services. Staff determined that

pursuant to Section 11.5 B.2 of the Metro Acquisition Policy and Procedure Manual, it is in the best interest of the MTA to meet its requirements through procurement of the specific services, and that Wabtec is the only source for the specific service.

In support of the daily rail revenue service requirements, Metro Rail Fleet Services Engineering developed an equipment overhaul specification based upon the OEM recommendations and compliance with Metro overhaul standards. Wear and tear on the P2000 LRV in normal service requires ongoing maintenance, which is performed by Metro personnel. Periodically, overhaul effort that requires specialized training and equipment beyond in-house maintenance capability is contracted out to outside vendors. All contracted effort is made in accordance with negotiated collective bargaining agreement provisions. This effort meets the criteria for contracted work. Overhaul of the P2000 LRV friction brakes will ensure safe and reliable operations, minimize service delays, prolong equipment service life, and adhere to preventative maintenance requirements and campaigns. The contractor will perform services in accordance with Metro's specifications and the schedule requirements.

DETERMINATION OF SAFETY IMPACT

Award of contract for the P2000 LRV friction brake overhaul services will ensure compliance with the OEM's recommended overhaul cycle and continued safe vehicle operations. The P2000 LRV friction brake equipment is a safety sensitive system. If the friction brake equipment is not maintained or overhauled at the recommended vehicle interval specifications, it will impact adherence to established preventative maintenance programs.

FINANCIAL IMPACT

The total contract amount is \$1,664,000. Funding of \$208,000 for this procurement is included in the FY13 budget in Rail Cost Center 3943 - Rail Fleet Services Maintenance Green Line, line item 50441 - Parts - Revenue Vehicle, project 206006 – P2000 Component Overhaul.

Since this is a multi-year contract, the cost center manager, project manager, and executive officer will ensure that the balance of funds are budgeted in future fiscal years.

Impact to Budget

The funding for this acquisition will come from Prop A 35% Bonds. This procurement is part of the on-going LRV preventative maintenance program. If this overhaul is not performed, there would be a high probability of greater labor and parts replacement costs as parts fail past the expected preventative maintenance replacement schedule. Additionally, unscheduled maintenance repair cost on a per component basis will result in higher operating costs versus reduced costs when performing this work as scheduled.

ALTERNATIVES CONSIDERED

Not performing or postponing these overhauls is not recommended as this equipment is safety sensitive and if not properly maintained, may impact vehicle operations, service reliability, passenger comfort and safety.

NEXT STEPS

Overhaul of the P2000 LRV friction brake equipment will be processed in accordance with the OEM and Rail Fleet Services' scheduled maintenance requirements. If approved, the four-year project is scheduled to commence January 2013 and conclude in December 2016.

ATTACHMENT

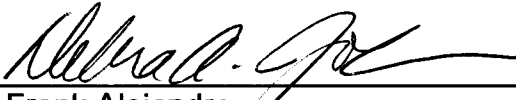
A. Procurement Summary

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Questions: Michelle Stewart, Assistant Administrative Analyst, Operations
 (213) 922-7270



Michelle Lopes Caldwell
Chief Administrative Services Officer



Frank Alejandro
Chief Operations Officer



Arthur T. Leahy
Chief Executive Officer

PROCUREMENT SUMMARY

SIEMENS P2000 BRAKE SYSTEM OVERHAUL

1.	Contract Number: 13-0016	
2.	Recommended Vendor: WABTEC Passenger Transit	
3.	Type of Procurement (check one) : <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP – A&E <input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: N/A	
	B. Advertised/Publicized: N/A	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: N/A	
	E. Pre-Qualification Completed: N/A	
	F. Conflict of Interest Form Submitted to Ethics: 10/09/12	
	G. Protest Period End Date: N/A	
5.	Solicitations Picked up/Downloaded: N/A	Bids/Proposals Received: N/A
6.	Contract Administrator: Otto Ojong	Telephone Number: (213) 922-1454
7.	Project Manager: Nick Madanat	Telephone Number: (213) 922-3340

A. Procurement Background

Procurement staff performed an analysis in accordance with our Acquisition Policy Manual covering a non-competitive procurement. It was determined that pursuant to Section 11.5 B.2, Acquisition Policy and Procedure Manual, it is in our best interest to meet its requirements through procurement of the specific services, and that the proposed contractor is the only source for the specific service.

B. Evaluation of Proposal

The proposal submitted by Wabtec Passenger Transit was found to be responsive in accordance to our Acquisition Policy Manual.

C. Cost/Price Analysis Explanation of Variances

The recommended price has been determined to be fair and reasonable based upon a price analysis conducted by staff. The price analysis compared the price to previous service contracts for brake overhauls.

D. Background on Recommended Contractor

Wabtec Passenger Transit Corporation was formed in November 1999 when Westinghouse Air Brake Company merged with Motive Power Industries, Inc. The original Westinghouse Air Brake Co. was founded in 1869. Wabtec is a manufacturer of a vast array of pneumatic, electronic and mechanical devices such as braking equipment, controllers, current collectors and couplers for the transit industry worldwide, and has been providing rail equipment and services in the United States for 130 years.

Wabtec is the Original Equipment Manufacturer (OEM) of the Siemens P2000's LRV brake equipment and has provided equipment and services for various government and transit agencies, e.g., Caltrans and Metrolink/Los Angeles. In the past, it has also performed satisfactory work for the Metro Red Line Heavy Rail Vehicle brake system equipment overhaul.

E. Small Business Participation

The Diversity and Economic Opportunity Department recommended a 5% Disadvantaged Business Enterprise Anticipated Levels of Participation (DALP) for this procurement. Wabtec Passenger Transit Corporation made a 5% DBE commitment.

Small Business Goal	DALP 5%	Small Business Commitment	DALP 5%
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	Subcontractor	% Committed
1.	Altech Services	5%
	Total Commitment	5%