

**Board Report**

File #: 2017-0844, **File Type:** Contract**Agenda Number:** 28.

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
FEBRUARY 15, 2018****SUBJECT: METRO GREEN LINE (MGL) TRACK CIRCUITS AND
TRAIN-TO-WAYSIDE COMMUNICATION (TWC)
UPGRADE****ACTION: AWARD CONTRACT****RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING the Chief Executive Officer to award Contract No. OP43306000 to Ansaldo STS USA, Inc. for the upgrade of the MGL track circuits and train-to-wayside equipment, for an amount of \$18,655,966.78, effective March 2018 through February 2023; and
- B. AWARDING a single source procurement, pursuant to California Public Utilities Code Section 130237. The MGL track circuits and TWC are proprietary and Ansaldo STS is the sole manufacturer of the components. The components are needed for integration with the existing Ansaldo Microlok II Train Control System in use on the MGL.

(REQUIRES TWO-THIRDS VOTE OF THE FULL BOARD)

ISSUE

The MGL is equipped with legacy track circuits and TWC that has been operational from initial start of MGL service in 1995. The existing equipment was delivered by Ansaldo STS USA, Inc. (formally Union Switch and Signal Inc.) under Contract No. H1100. The equipment is now obsolete and no longer supported by the Original Equipment Manufacturer. The equipment needs to be replaced as it nears the end of its useful life.

DISCUSSION

Commencing in 2012, Metro Wayside Systems has implemented a phased program of rehabilitation of the MGL train control system. The first phase of work (replacement of obsolete vital control processors) has been completed. The next phase is to replace obsolete track circuits and TWC equipment. Upon completion, the Green Line train control system will have been rehabilitated to the same equipment and configuration as the new Crenshaw/LAX Rail Line, thus providing a fully up-to-

date system, and conforming across the entire Green Line and Crenshaw/LAX Line.

The scope of the work is to replace all 450 existing track circuits which provide train detection and transmit cab signals to maintain safe train speed and safe train separation. Track circuit equipment is located in Train Control and Communication (TC&C) rooms throughout the line. At each of the 19 TC&C rooms, TWC equipment will be replaced comprising of train routing, train berthing, communication, and local control panel equipment. Labor installation will be performed by Metro Wayside Maintenance forces.

DETERMINATION OF SAFETY IMPACT

Approval of the recommendations will have a positive impact on safety as the work scope will move forward to ensure compliance with the OEM's replacement cycle specifications. Further, maintaining the rail system in a State of Good Repair (SGR) is essential to providing a safe and reliable service to riders who ride the Metro Rail system daily.

FINANCIAL IMPACT

Funding for the contact amount of \$18,655,966.78 will come from Capital Project (CP) 205107 - Metro Green Line Train Control Track Circuits and TWC Replacement. The Board approved a Life-of-Project (LOP) budget of \$28,851,200 in September 2016. Funding of \$1,800,000 is included in the FY18 budget in cost center 3960 Transit Systems Engineering, project 205107, account 53102 - acquisition of equipment.

Since this is a multi-year contract, the Project Manager for CP 205107 will ensure that the balance of project funds is budgeted in future fiscal years.

Impact to Budget

The source of funds for this procurement will come from Metro's share of TDA Article 4 as well as future Federal, State and local funding sources that are eligible for Rail Capital Projects. These funding sources will maximize the use of funds for these activities.

ALTERNATIVES CONSIDERED

The Board may choose not to award Contract No. OP43306000, but this is not recommended by staff because without proceeding to replace track circuits and TWC, any failure(s) will cause delays in MGL service as train movements will need to stop until repairs are completed. Not performing or postponing these replacements is not recommended as these rail infrastructure components are safety sensitive; and if not properly maintained, will impact service reliability, passenger safety and comfort. Additionally, unscheduled maintenance repair costs on a per component basis will result in higher operating costs versus reduced costs when performing work as scheduled.

NEXT STEPS

Upon Board approval, staff will execute Contract No. OP43306000 to Ansaldo STS USA, Inc. to

provide the design, manufacturing, and furnishing equipment to Metro for replacement of the track circuits and TWC.

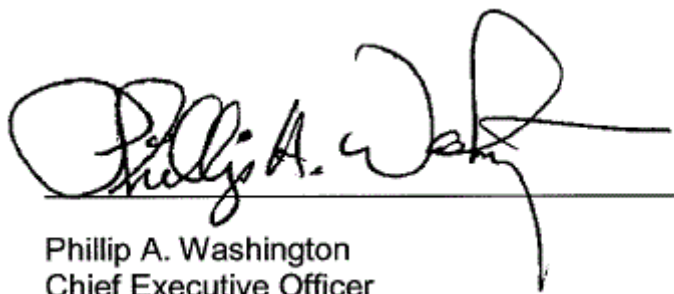
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

MGL TRACK CIRCUIT AND TRAIN-TO-WAYSIDE
COMMUNICATION UPDATE /OP43306000

1.	Contract Number: OP43306000	
2.	Recommended Vendor: Ansaldo STS USA, Inc.	
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: September 7, 2017	
	B. Advertised/Publicized: N/A	
	C. Pre-Proposal Conference: N/A	
	D. Proposal Due: September 29, 2017	
	E. Pre-Qualification Completed: December 7, 2017	
	F. Conflict of Interest Form Submitted to Ethics: October 2, 2017	
	G. Protest Period End Date: N/A	
5.	Solicitations Picked up/Downloaded: N/A	Bids/Proposals Received: 1
6.	Contract Administrator: Victor Zepeda	Telephone Number: (213) 922-1458
7.	Project Manager: Aderemi Omotayo	Telephone Number: (213) 922-3243

A. Procurement Background

This Board Action is to approve a sole source contract to Ansaldo STS USA, Inc. (Ansaldo) in support of Metro's Green Line Track Circuit upgrade. Under this new Contract, the contractor is required to upgrade AF-900 First Generation Track Circuits, Train to Wayside Communication (TWC) Modem, TWC PC, Local Control Panel (LCP), and Genisys with AF904 Track Circuits, TWC Modem, and LATS System. This upgrade consisting of designing, manufacturing, and furnishing equipment will allow for compatibility between the Green Line and the Crenshaw/LAX Rail Line.

The procurement was issued in accordance with Metro's Acquisition Policy and the contract type is a firm fixed price.

No amendments were issued during the solicitation phase of this RFP:

The period of performance will be five years, March 2018 to February 2023.

B. Evaluation of Proposals

Ansaldo's submittal was determined to be responsive. The firm was deemed responsible and qualified to perform the required services based on the requirements of the statement of work, review and approval of the pre-qualification

forms by the Prequalification department, and technical evaluation by the Project Manager.

C. Cost/Price Analysis

The recommended pricing has been determined to be fair and reasonable based on historical pricing, comparison with Metro’s independent cost estimate, and technical evaluation by the Project Management Team. The Independent Cost Estimate (ICE) did not take into account sales tax for the equipment being purchased.

	Proposer Name	Proposal Amount	Metro ICE	NTE amount
1.	Ansaldo	\$18,655,966.78	\$18,176,400	\$18,655,966.78

D. Background on Recommended Contractor

The recommended firm, Ansaldo, located in Pittsburg, PA, has been in business for 130 years and is a leader in the field of wayside equipment, vital relays and complete train control systems. Ansaldo STS (formally Union Switch and Signal, Inc.) delivered the MGL ATC system in 1995.

Since 1995, Ansaldo has successfully completed several contracts with the most recent major project awarded in 2012 where Ansaldo provided upgrade MicroLok 1 interlocking and cab signal control systems on MGL.

DEOD SUMMARY

MGL TRACK CIRCUIT AND TRAIN-TO-WAYSIDE
COMMUNICATION UPDATE / OP43306000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Small Business Enterprise/Disabled Veteran Business Enterprise (SBE/DVBE) goal for this sole source, non-competitive procurement. It was determined that the AF-900 First Generation Track Circuits and Train-to-Wayside (TWC) Modems are proprietary equipment. As such, there are no apparent subcontracting opportunities in the design and manufacture of the equipment, which will be performed with the prime's own workforces and provided to Metro for installation..

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 as installation is being performed by Metro's own workforce.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.