



**ITEM ID:** 2025-207-0

**TRANSMITTAL DATE:** May 2, 2025

**MEETING DATE:** May 9, 2025

**TO:** Contracts, Operations, Maintenance, and Safety Committee

**FROM:** Justin Fornelli, Chief, Program Delivery

**SUBJECT:** Contract No. EP244-25 - Rehabilitation of Bombardier Out-Of-Service Cars - Recommendation to Award - SYSTRA Canada

### **Issue**

The Authority intends to rehabilitate eight (8) Bombardier railcars that are currently out-of-service to extend their useful life and support passenger service for the 2028 Olympic and Paralympic Games.

### **Recommendation**

It is recommended that the Committee recommend the Board authorize the Chief Executive Officer (CEO) to negotiate and award Contract No. EP244-25 for Rehabilitation of Bombardier Out-Of-Service Cars, to SYSTRA Canada in the amount of \$4,165,383.40 plus 20% contingency in the amount of \$833,076.68 for total contract authorization amount not-to-exceed of \$4,998,460.08. This amount is to rehabilitate eight (8) Bombardier railcars that are currently out-of-service due to obsolete parts and degraded condition from long dwell time. The award is subject to resolution of any timely filed protests.

### **Strategic Commitment**

This report aligns with the Strategic Business Plan Commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. This project will rehabilitate out-of-service cars, returning them to a condition safe for operation of revenue service.

- **Customers Are Our Business:** We respect and value our customers, putting them at the heart of all we do, and work hard to attract and retain new customers by understanding their needs and finding new and innovative ways to bring them on board. This project will provide more available equipment to support 2028 LA Olympic and Paralympic Games.

## **Background**

The Authority owns a total of 258 Rotem and Bombardier passenger cars, 27 of which are currently out-of-service (OOS). As one of the rehabilitation projects in the Olympic Readiness Program, this project will rehabilitate 8 specific OOS Bombardier railcars currently in long out-of-service condition, so they can return to revenue service as soon as possible. The remaining 19 OOS railcars will be brought back into service by other rehabilitation projects.

## **Discussion**

On July 10, 2024, the Authority issued Request for Proposals (RFP) No. EP244-25 for the Rehabilitation of Out-Of-Service Bombardier Cars. The RFP was posted on the Authority's online procurement portal and notifications were sent to 860 registered firms. The Authority also advertised the RFP in publications in the five member counties and in diversity newspapers. Thirty-eight prospective proposers viewed the RFP on the procurement portal, of those only fifteen are classified as primes, the other twenty-three are classified as subcontractors or suppliers. Four prospective proposers attended the virtual Pre-Proposal Conference held on July 24, 2024, and one firm attended the job walk on July 31, 2025. The Authority received and answered six questions.

This capital project is funded by the Federal Transit Administration (FTA), resulting in additional procurement requirements, including Disadvantaged Business Enterprise (DBE) assessments and that the selected contractor be listed as an approved Transit Vehicle Manufacturer (TVM) published by FTA.

The Authority received a single proposal from SYSTRA Canada by the submission date of October 29, 2024. The responsiveness review duration was extended as it was contingent upon an approved FTA DBE Goal. Upon confirmation of the FTA approved DBE Goal, the proposal was sent to the Project Manager on January 22, 2025, for evaluation.

Staff completed post-solicitation research among the prospective proposers and found that five of the prospective prime proposers were FTA approved TVMs. One declined to offer a proposal, based on its own assessment that not all the railcars are repairable, and wanted to offer an alternative approach along with equipment leasing. Two firms do not specialize in rail vehicles and thus did not propose as the scope of this RFP is beyond their area of expertise. One firm did not respond to the market research request.

Negotiations with SYSTRA Canada began on March 26, 2025, to go over their proposal, availability of parts, the very tight project schedule and possible risks. The proposed price is 1.88% above the independent cost estimate (ICE) as shown in the table below.

ICE	\$4,088,343.00
SYSTRA Canada Price	\$4,165,383.40
Difference	+1.88%

After reviewing various factors and risks related to this project the total of \$4,165,383.40 for the rehabilitation of eight (8) out-of-service railcars was found to be fair and reasonable. Due to the nature of the work, Staff has included a contingency of 20% to cover out-of-scope repairs, resulting in a total not-to-exceed contract authorization amount of \$4,998,460.08.

This Contract is federally funded with an FTA approved DBE goal of 1.71% which SYSTRA Canada is required to meet.

### **Budget Impact**

The requested amount of \$4,998,460.08 is included in the FY19 and FY21 Capital Budgets adopted by the SCRRRA Board of Directors.

### **Next Steps**

Upon Board approval of the recommendation, Staff will execute a contract with SYSTRA Canada and issue a Notice to Proceed.

Prepared by: Dong Keun (DK) Ha, Rolling Stock Engineering Manager II  
Dorothea Cantero, Senior Contract and Compliance Administrator  
Neil Brown, Director, Special Projects

Approved by: Justin Fornelli, Chief, Program Delivery