



(Board Copy)  
Washington Metropolitan Area Transit Authority  
**METRO ELECTRONIC ACTION  
DOCUMENT**

IDENTIFICATION			
MEAD ID:	99402	ACTION:	Initiate & Award
AWARD VALUE:	(Not yet awarded)	CONTRACT: (Proposed)	
FUND SOURCES: ( <a href="#">View</a> )	Infrastructure Renewal Program	CONTRACTOR:	
LAST MODIFIED:	04/07/2006		

DESCRIPTION	
SUBJECT:	Award modification to Contract FL-0712 with TTA to rehabilitate the 1000 Series Rohr HVAC system.
PURPOSE:	To request the Board of Directors approval to modify Contract FL-0712 for Transportation and Transit Associates, LLC (TTA) to incorporate specification changes to the rehabilitation of the HVAC system on 286 railcars of the 1000 Series Rohr Car Fleet.

ORIGINATION					
INITIATOR			DEPARTMENTAL APPROVAL		
GEORGE WENNER on 03/28/2006			Approved by SALPEAS , PANAGIOTIS 04/03/2006		
PHONE:	202-962- 2214	OFFICE:	OENG	DEPT:	Chief Engineer

COORDINATION (ROUTING)		
OFFICE	NAME	ACTION/DATE
(4110)	SALPEAS, PANAGIOTIS	Approved 04/03/2006
AUDT (7210)	STEWART, JAMES	Approved w/ Comments 04/07/2006

FINAL APPROVALS	
OFFICE	NAME/ACTION
PLN_DEV_CMTE	Approved for by PANAGIOTIS SALPEAS on 04/03/2006
BEMR	Approved for by Emeka Moneme on 05/09/2006
GM	Approved w/ Comments for GMGR by GMGR CEO on 05/09/2006
BOARD	BOARD WMATA (Not Yet Approved)



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**NARRATIVE**

**DISCUSSION:**

On April 22, 1999 the WMATA Board under Resolution #99-18 approved an Emergency Rail Car Rehabilitation Plan (ERRP) for the Metro Rail System identifying urgently needed programs that would significantly correct and improve the system's reliability. It also empowered the GMGR to expedite the initiation and award of contracts for implementing all elements of the Plan. The GMGR authorized the initiation and award of a contract to provide equipment, material and labor to rehabilitate the HVAC system on WMATA's 298-vehicle Rohr car fleet.

On November 21, 2001, TTA was awarded contract FL-0712 under competitive negotiation procedures in the amount of \$13,679,849 to rehabilitate the HVAC system on 298 railcars of the 1000 Series Rohr Car Fleet. A four-month period of qualification testing on four cars was scheduled to begin no later than July 26, 2002, with contract work to be completed by May 31, 2004. On July 22, 2002, Modification M004 was awarded to TTA in the amount of \$855,856 to overhaul 596 Trane Compressors that were on the Rohr cars. The modification increased the total price of the contract to \$14,535,705.

To date TTA has delivered ten cars to the Authority with the last two cars being delivered on December 15, 2005. The installed rehabilitated HVAC system has passed qualification testing and revenue acceptance testing and the ten cars are currently performing satisfactorily in revenue service. However, contract performance has been delayed for several reasons. For one, the initial specification required a rigorous schedule for redesigning and testing the HVAC control box, which was one of the major elements in the rehabilitation of the HVAC system. TTA encountered difficulties in providing an acceptable design to the Authority for approval. The redesigned control box also experienced problems during qualification testing and during revenue testing, which necessitated significant changes in the design. Although the redesigned HVAC control box is finally performing satisfactorily, the requirement is being deleted as unnecessary.

Further delays occurred in 2004 when Patentes Talgo S.A. of Spain obtained full ownership of Transportation & Transit Associates, LLC and TTA Systems, LLC over a five-year purchase program. Due to the financial problems Talgo encountered, work on the contract was suspended. Subsequently, The Sharma Group of Investors acquired all the interests in TTA in November 2005. Review of the current financial status of TTA indicates that they are financially capable of performing the contract.

Since TTA will incur increased costs to set up a production line at the New Carrollton Maintenance Facility, a revised payment schedule will be negotiated to the mutual agreement of the parties to provide a cash neutral position for TTA.

This modification will delete the supply and installation of the HVAC control box, which will reduce the technical complexity of the rehabilitation. Also deleted is the requirement to perform all off-site work, which will reduce the risk associated with delivering and shipping railcars to and from WMATA. Rather, the modification provides for the work to be performed by TTA at the Authority's New Carrollton Facility, thereby providing WMATA with tighter quality control of the contract work. In addition, TTA will install new AC blower motors, blower wheels, and inverters for the evaporator system. Negotiations with TTA have resulted in a downward adjustment in the contract price by \$525,142, subject to audit certification. TTA has proposed a twenty-two (22) month schedule for rehabilitating 286 Rohr cars in accordance with the revised technical specification. The final completion date is subject to the availability date of the New Carrollton Maintenance Facility.

**PRIOR APPROVALS:**

The Board approved the Emergency Rail Car Rehabilitation Plan (ERRP) under Resolution #99-18 on April 22, 1999, which empowered the GMGR to expedite the initiation and award of Contract FL-0712 to provide equipment, material and labor for the rehabilitation of the HVAC system on the 1000 Series Rohr Car Fleet.

**ALTERNATIVES:**

The Authority could forgo modifying Contract FL-0712 to incorporate specification changes for the rehabilitation of the HVAC system on 286 railcars of the 1000 Series Rohr Car Fleet. This would result in the cancellation of the contract, thereby reducing WMATA's ability to maintain reliable HVAC systems on the 1000 Series Rohr Cars.

**IMPACT ON FUNDING:**

No new funding is required as this action will result in the reduction of the contract price by \$525,142 from \$14,535,705 to a new total price of \$14,010,563.

Budget: Funding made available through the Emergency Rail Rehabilitation Plan (ERRP).

Budget Amount: \$14,535,705.00

Prior Action: \$14,535,705.00

This Action (Credit): (\$ 525,142.00)

Subtotal: \$14,010,563.00

Remaining Budget: \$ 525,142.00

**AFFIRMATIVE ACTION REQUIREMENTS:**

Contractor will be required to comply with Executive Order 11246, as amended.

**DISADVANTAGED BUSINESS ENTERPRISE:**

No goal for DBE participation was established for the contract based on the Authority's race-neutral effort. However, the race-neutral effort is anticipated to result in DBE participation of 5%.

**RECOMMENDATION:**

That the Board of Directors approve the modification of Contract FL-0712 for Transportation and Transit Associates, LLC (TTA) to incorporate specification changes to the rehabilitation of the HVAC system on 286 railcars of the 1000 Series Rohr Car Fleet, at a reduction in contract price of \$525,142.