

# How Many U.S. Jobs Did Your Procurement Create ?

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## How Many U.S. Jobs Did LA Metro's P3010 Light Rail Vehicle Procurement Create?

- P3010 will create 350 new jobs across the U.S. , including 250 new jobs in Los Angeles County
- The value of the new jobs in wages and benefits will equal \$97.9 million
- The impact of the new jobs on the U.S. economy is projected at \$138.8 million
- Metro's LRV Contractor will open a new Final Assembly Facility in L.A. County by 2014, and will open its first U.S. car shell manufacturing facility as early as 2016.



## Factors that Led Metro to introduce its U.S. Employment Program

- Unemployment in Los Angeles County was over 12% in 2010, when Metro began developing its RFP, P3010.
- Metro's Board challenged staff to look for innovative ways to create jobs as part of our large capital projects (PLA for federally funded construction projects and a local jobs program for Rolling Stock).
- Metro's job program tried to broaden the general application of traditional evaluation factors in a "Best Value" RFP, such as past performance, schedule adherence or reliability.
- The FTA rejected Metro's Local Jobs Program.



# How Did Metro's LRV Procurement Create New Jobs?

- FTA approved Metro's U.S. Employment Program in May 2011, which was incorporated into a "Best Value" RFP as an incentive to create new jobs in the U.S.
- The U.S. jobs program took the value of the wages and benefits of all new jobs proposed and made it a trade-off factor in the evaluation of total price. Price was worth 30% of the total evaluation
- Metro further enhanced the importance of the price trade-off by applying an economic multiplier of 1.42% to the proposed wages and benefits



# Metro's LRV P3010 Procurement Summary

- Three Proposers offered U.S. job creation values that ranged from \$88 million to \$140.6 million
- All three Proposers committed to a final assembly facility in Los Angeles County; where most of the new jobs will reside
- Metro awarded \$890 a Million Contract for 235 LRVs
- All LRVs will have final assembly performed in a new Los Angeles County facility
- All Option car shells will be manufactured in a new U.S. facility.

