

News

Dave Sotero/Joni Goheen Metro Media Relations 213.922.3007/213.922.6931

April 12, 2017

metro.net/press/pressroom mediarelations@metro.net

FOR IMMEDIATE RELEASE

## L.A. Metro, China Railway Rolling Stock Corporation Conduct Signing Ceremony for New \$178 Million Subway Car Contract



Los Angeles County Metropolitan Transportation Authority (Metro) officials today joined executives from China Railway Rolling Stock Corporation Ltd. (CRRC) in a signing ceremony at the Union Station Metro Red Line Station to launch a \$178 million, 64 rail car purchase.

Coupled with up to five options to buy additional subway cars, the total value of the contract is 282 cars for \$647 million.

Of the 64 HR 4000 rail vehicles to be delivered, 30 will be used to replace existing Metro Red and Purple Line trains now traveling between downtown Los Angeles, Mid-Wilshire District and North Hollywood. The remaining 34 rail cars will be used for the Metro Purple Line's first four-mile extension from the Mid-Wilshire District to Beverly Hills when the line officially opens in 2023.

"Today is another milestone day in our efforts to make Los Angeles the transit capital of the world," said John Fasana, Metro Board Chair and Mayor Pro Tem of the city of Duarte. "I'd like to thank China Railway Rolling Stock Corporation for building the train cars we critically need to provide fast, reliable, frequent and high-capacity subway service to more L.A. County residents."

The rail car manufacturer has committed to delivering the first pilot rail vehicle by the spring of 2020, and the entire base order of 64 subway cars by September 2021.

The contract is funded by a combination of local and federal sources, including a percentage of Measure R sales tax revenues.

"We are honored to have the opportunity to build subway cars for Metro," said CRRC President Guohua Xi. "Our commitment is two-fold where collaboration with Metro on this project remains a priority, and a successful partnership is nurtured where our mutual vision to stimulate the local economy through education, vocational training, and job creation in railcar manufacturing is realized."

The contract will create approximately 50 local jobs generating up to \$38 million in local wages and benefits. Approximately 10 percent of all new jobs created will go to targeted disadvantaged workers.

A new facility will also be purchased in the L.A. region to manufacture major components for propulsion, heating, ventilation, air conditioning and lighting systems. Manufacturing the subway cars' exterior shell will take place in the company's facility in Changchun, China, and final assembly will be done in Springfield, Massachusetts. The contract exceeds the federal government's "Buy America" provisions, which require 60 percent of component parts be American-made.

During the procurement process, Metro determined that CRRC offered the overall best value proposal. CRRC had the highest rated technical offer and lowest price while offering the most robust Local Employment Program and highest U.S. component content. The firm also has an excellent record for on-time vehicle delivery and quality.

"We are confident that our contract with CRRC will produce the best, highest quality rail vehicles that our customers expect and deserve," said Metro CEO Phillip A. Washington. "Metro is leading a transit infrastructure revolution in L.A. County, with three major rail lines concurrently under construction. The Purple Line, Crenshaw/LAX and Regional Connector lines are scheduled to open within a few years of each other. Our strategic investments today will enable us to easily accommodate tens of thousands of future Metro customers."

## About Metro

The Los Angeles County Metropolitan Transportation Authority (Metro) is unique among the nation's transportation agencies. Created in 1993, Metro is a multimodal transportation agency that transports about 1.3 million passengers daily on a fleet of 2,200 clean air buses and six rail lines. The agency also oversees bus, rail, highway and other mobility-related building projects and leads transportation planning and programming for Los Angeles County.

Stay informed by following Metro on The Source and El Pasajero at metro.net, facebook.com/losangelesmetro, twitter.com/metrolosangeles and twitter.com/metroLAalerts and instagram.com/metrolosangeles.

###

Metro-052