

PILOT PROGRAM TO SUPPORT THE FEDERAL RAILROAD ADMINISTRATION RISK REDUCTION PROGRAM

General Information

Document Type: Broad Agency Announcement
Solicitation Number: BAA-2009-2
Posted Date: July 2, 2009
Response Date: August 1, 2009

Contracting Office Address

Department of Transportation, Federal Railroad Administration (FRA), 1200 New Jersey Ave., SE, Office of Acquisition and Grants Services, Mail Stop 50, Washington, DC 20590.

Introduction

The U.S. Department of Transportation, Federal Railroad Administration (FRA), through this BROAD AGENCY ANNOUNCEMENT (BAA), is soliciting concept proposals for short-term (3-6 months) projects to develop conceptual frameworks of risk-based systems to improve safety in the U.S. rail industry. These short-term projects should result in implementation-ready pilot projects for broad application to the U.S. rail industry and shall provide support to the development and finalization of FRA's Risk Reduction Program.

Responses to this initial BAA are limited to Class I railroad carriers who are identified as:

- BNSF Railway Company, Fort Worth, Texas
- CSX Transportation, Jacksonville, Florida
- Canadian National Railway, Montreal, Quebec
- Canadian Pacific Railway, Calgary, Alberta
- Kansas City Southern, Kansas City, Missouri
- Norfolk Southern Railway, Norfolk, Virginia
- Union Pacific Railroad, Omaha, Nebraska
- Amtrak, Washington, DC

The FRA intends to issue a subsequent BAA in fiscal year 2010, which will openly solicit proposals from all individuals, businesses, manufacturers, academic and research institutions, carriers, and labor organizations, for short-term (12 months) or long-term (12-36 months)

projects on the conceptual development, implementation, and evaluation of risk-based systems to improve safety in the U.S. rail industry in support of FRA's Risk Reduction Program.

RISK REDUCTION PROGRAM

The Rail Safety Improvement Act of 2008 (Public Law 110-432, Div A, Oct 16, 2008) ("the Act") mandates a regulatory requirement for a railroad safety Risk Reduction Program in approximately four years after its enactment. Specifically, Section 103 of the Act requires "each railroad carrier that is a class I railroad, carriers with an inadequate safety performance (as determined by the Secretary), or a railroad carrier that provides intercity rail passenger or commuter rail passenger transportation –

"(A) to develop a railroad safety risk reduction program ... that systematically evaluates railroad safety risks on its system and manages those risks in order to reduce the numbers and rates of railroad accidents, incidents, injuries, and fatalities;

"(B) to submit its program, including any required plans, to the Secretary for review and approval; and

"(C) to implement the program and plans approved by the Secretary."

Description of Pilot Program

Section 103 of the Act further calls for: "(2) RELIANCE ON PILOT PROGRAM. – The Secretary may conduct behavior-based safety and other research, including pilot programs, before promulgating regulations under this sub-section and thereafter. The Secretary shall use any information and experience gathered through such research and pilot programs under this subsection in developing regulations under this section."

The purpose of the Pilot Program is to encourage the rail industry to collaborate in the development and implementation of pilot demonstration projects that effectively target operations, equipment or systems that pose the greatest risk to operational and personal safety. Carriers, for example, may already have risk-based safety systems or programs in place but the effective application and lessons learned remain in-house and not available industry-wide. This Pilot Program is a means to gather and facilitate the dissemination of information about effective processes, technologies, and systems nationwide to lower overall risk and improve safety throughout the industry, and will serve to inform the regulatory development of the Risk Reduction Program. Any data collected as part of the Risk Reduction Program and pilot demonstration projects will be held confidential and protected from litigation according to the provisions in the Rail-Safety Improvement Act of 2008. Specifically, Section 109 of the Act protects collected data from disclosure under the Freedom of Information Act ("FOIA") and directs FRA to conduct a study on whether such data should also be protected from discovery during litigation.

The resultant lessons learned will be compiled, compared with other pilot programs, and then shared industry-wide to encourage broad scale adoption of similar programs and thereby lower overall risks throughout the railroad industry.

BROAD AGENCY ANNOUNCEMENT

This BROAD AGENCY ANNOUNCEMENT specifically seeks concept proposals that describe a pilot risk reduction project with innovative methods, processes, and technologies for reducing the risk of accidents, injuries, and fatalities using upstream predictive data – by systematically identifying and correcting individual, environmental, and/or organizational risk factors. Concept proposals should identify a potential pilot project for possible field testing and demonstration purposes, and describe the processes or systems that identify the safety risks involved while performing a particular operation or function, including the steps taken to eliminate or significantly reduce the risk.

Proposed pilot projects may be current or promising analytical systems (processes, tools, and technologies) capable of profiling, forecasting, and managing risk in transportation operations. Proposals might include: methods, processes, technologies, or tools for mining and analyzing precursor and risk-related data; safety culture change processes that emphasize confidential non-punitive safety communications and feedback between leadership, management, and labor; and other safety management systems that will better manage risk and reduce the probability of accidents, incidents, injuries and fatalities than do current systems.

Concept Proposal Requirements

Concept proposals submitted under this BAA shall be no more than 10 pages in length, including all enclosures. Generally the FRA needs to understand your entire pilot program which will be accomplished in multiple phases. This is phase I, the concept development phase of the pilot program. Concept proposals shall include the following:

- Project concept should discuss the entire pilot project from concept development through successful implementation. It should identify specific risks to be reduced or overcome, how it would work, basic elements, and an overall process that would demonstrate the extent to which safety would be increased (i.e. types of risk to be reduced and how those risks reduction activities are projected to reduce accidents, injuries or fatalities). The description of the project concept should also include:
 - Rough Order of Magnitude (ROM) for the cost to implement the entire pilot project
 - Projected time frame of completion of the entire pilot project
 - Potential application and overall value to the rail industry
 - Perceived feasibility, likelihood of success, and estimated time to impact after implementation
 - Potential barriers to implementation and proposed mechanisms to remove those barriers

- Primary intended stakeholders, labor groups, potential users, and how all of these parties will be involved
- Other anticipated benefits (i.e. reduced derailments, improved operating efficiencies, improvements in labor management communications, etc)
- Discuss your approach to accomplishing phase I activities. Please provide this information in a “Statement of Work”/“Statement of Objective” format. If selected for award it may be used (as negotiated) in the final award. This discussion should be sufficiently detailed to support your proposed phase I cost estimate.
- Provide a Basis of Estimate to accomplish the Phase I activities. It should include the estimated labor, overheads and all other direct and indirect costs associated with Phase I activities.
- Milestone Payments: Offer shall propose a milestone payment plan consistent with the following:
 - Kick-off meeting - consisting of a power point presentation by the railroad carrier of the overall pilot program that needs to be accomplished in phase I. The FRA will also discuss its expectations for the phase I program and deliverables.
 - Midterm Progress Report – A midterm progress report shall be provided by the offeror, proposing an interim payment and at a minimum shall discuss the progress-to-date.
 - Delivery and acceptance of final deliverables.

Selection Process and Award Cycles

Award Type

FRA intends to award Firm Fixed Price grant awards for Phase I. Milestone payments will be made based on accomplishments. A kick-off meeting should be conducted within 45 days of award.

Concept Proposal Awards

This first cycle of phase I awards, which will occur no later than October 1, 2009, will provide nominal awards of approximately \$50,000 to \$100,000, and will emphasize further refinement of the proposed concepts, including: designing an implementation plan, developing a detailed budget, identification of resources required (both human and financial), and building a collaborative process for partnering with critical stakeholders (labor, management, government).

The FRA has approximately \$400,000 available for the first cycle of phase I awards in this program. Our intent is to select the group of proposals that offer the greatest value to the overall program objective. The total amount of each award will be subject to negotiations;

dependent upon the risk reduction potential and the estimate of costs supporting the proposed phase I activities.

Implementation Awards

FRA intends to initiate a second cycle of awards (phase II), which will begin in fiscal year 2010. The phase II award cycle will provide more substantial awards and are anticipated to be in the range of \$500,000 to \$2,000,000. Phase II awards will emphasize full scale implementation and evaluation of pilot projects, but may also include conceptual development. The funding for the phase II awards will be contingent upon annual Fiscal Year appropriations to FRA in support of risk reduction efforts. They will be competitively awarded and will vary on a project by project basis, dependent upon pilot project complexity and funds needed to support a successful implementation. Awardees that provide the minimum deliverables for implementation-ready pilot projects in the phase I awards will be competitively "down selected" for awards in the phase II award cycle to begin implementation. Competitive proposals from the subsequent BAA issued in 2010 may also be selected for phase II awards to begin conceptual development or full-scale implementation.

Termination of Awards

Awardees are expected to demonstrate progress during Phase I. Inability to successfully complete any of the milestones or ability to demonstrate progress could result in termination of the agreement. Termination requires 30 day notice by the Government or the award recipient and opportunity for discussion within the 30 day period. Termination settlement shall be at an amount not to exceed the preceding milestone payment.

Concept Proposal Evaluation Criteria

Contractor Participation

FRA may use contractors to assist in evaluating proposals. Contractors involved in this process will have on file non-disclosure agreements. Please advise of any objections or if you request additional information regarding their involvement.

Evaluation Criteria

Concept proposal evaluation will be based on the following criteria, each having equal importance:

- 1) clarity and validity of the entire pilot project from concept development through implementation, the logic of causal relationships between the risks identified, processes or tools for mitigating those risks, and the intended outcomes/impacts (short-term, mid-term, and long-term) from the risk mitigation strategies.
- 2) Demonstration that phase I activities are meaningful, and consistent with and promoting the overall program objective.
- 3) Feasibility and likelihood of success.

- 4) Anticipated results and potential impact for the rail industry.
- 5) estimated time to begin full-scale implementation.
- 6) estimated time for reducing risk(s) and probability of accidents, injuries, incidents, or fatalities
- 7) affordability
- 8) cost realism and reasonableness

Minimum Deliverables for Concept Awards

Each award amount may vary. Final award amounts will be the price determined by the Government to be fair and reasonable. Not later than the end of phase I, the government requires the following minimum deliverables:

- detailed implementation plan and master schedule for phase II
 - Details regarding these plans shall be addressed at the “kick off” meeting
 - The agreement may be modified to reflect FRA and recipient agreements following the kick off meeting discussion
- letters of commitment from primary stakeholders including affected labor organizations and intended user groups
- detailed budget and resources required (3-5 years), including estimated cost-share
- proposed industry oversight committee, including key stakeholders and oversight process
- list of pilot program key personnel, including position and title
- Memorandum of Understanding with FRA detailing (as required):
 - Regulatory relief or waiver request, if needed
 - Confidentiality of data sharing and data protection
 - Participation in evaluation effort
 - Roles and responsibilities

Optional Deliverables

The optional deliverables are intended for carriers who have processes, technologies or programs beyond the concept development phase. The pilot project would be close to or in the process of implementation and near ready for industry demonstration. FRA is interested in exploiting the utilization of these successful projects for broader industry adoption.

FRA would like to participate in documenting the effectiveness and impact of these projects. Proposed optional tasks could be the development or compilation of data that results in the following:

Optional deliverables may include but are not limited to:

- detailed assessment of existing pilot project
- risk analysis
- risk mitigation plan
- software or process enhancements

- data analysis documenting performance improvements (i.e. safety, accidents, injuries, fatalities, or other performance indicators)

Collaboration Process

To increase the likelihood of successful implementations, a collaborative process between labor, management, government, and other key stakeholders will be developed. FRA has obtained contractor support to assist and support carriers in the development of their concept proposals and the development of detailed implementation plans during phase I. This support may include meeting facilitation, review and comment on statements of work, development of an industry oversight process, supporting the Awardees' efforts for a waiver request, or assisting Awardees in developing a Memorandum of Understanding. Awardees should consider this opportunity in their concept proposal. In addition, FRA will provide contractor support and will work closely with the Awardees' implementation team in developing an evaluation plan (both formative and summative) of each pilot project accepted for implementation.

GENERAL INFORMATION

In all correspondence to the FRA Office of Acquisition and Grants Services, reference BAA BAA-2009-2. Early submission of proposals is strongly encouraged. All proposals shall be submitted to the Department of Transportation, Office of Acquisition and Grant Services, Attn: Charles N Nurse, Contracting Officer, West Building, 3rd floor, Room W34-304, 1200 New Jersey Ave. SE, Washington, D.C. 20590, not later than 4:00 PM, Eastern Time, 8/1/09. A formal RFP or other solicitation regarding this announcement will not be issued.

NOTHING IN THIS ANNOUNCEMENT SHOULD BE CONSTRUED AS A COMMITMENT BY FRA TO AWARD ANY OF THE PROJECT AREAS IDENTIFIED ABOVE. Evaluation and selection of proposals for award will be made to those offerors whose proposal is considered most advantageous to the Government. Offerors are encouraged to access the following website <http://www.fra.dot.gov/us/content/2029> to review program planning documents that provide background information on the Risk Reduction Program.

A paper copy of the document may also be obtained by contacting the FRA Office of Acquisition and Grants Services by voice (Tel: (202) 493 1341, Mr. Marcus Moses) or email: (marcus.moses@dot.gov).

The Government reserves the right to select for award all, some, or none of the proposals received in response to this announcement. The Government reserves the option to invite selected offerors for a pre-award negotiation to negotiate costs, technical scope and the work plan. FRA anticipates that firm fixed price grants with milestone payments will be used for the awarding of these projects.

Points of Contact

Technical Representative: Miriam Kloeppe, (202) 493-6224, miriam.kloeppe@dot.gov

Contracting Representative: Marcus Moses (202) 493 1341, marcus.moses@dot.gov