

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2006-38

Procurement of Central Link Initial Segment Non-Revenue Vehicle

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/4/06	Discussion/Possible Action	Ahmad Fazel, Link Director Terry Mulcahy, Link Systems Program Manager Steve Procter, Link Systems Engineering Manager	(206) 398-5389 (206) 398-5033 (206) 370-5509

Contract/Agreement Type:	<input checked="" type="checkbox"/>	Requested Action:	<input checked="" type="checkbox"/>
Competitive Procurement	<input checked="" type="checkbox"/>	Execute New Contract/Agreement	<input checked="" type="checkbox"/>
Sole Source	<input type="checkbox"/>	Amend Existing Contract/Agreement	<input type="checkbox"/>
Interlocal Agreement	<input type="checkbox"/>	Contingency Funds (Budget) Required	<input type="checkbox"/>
Purchase/Sale Agreement	<input type="checkbox"/>	Budget Amendment Required	<input type="checkbox"/>

✓ Applicable to proposed transaction.

PROJECT NAME

Central Link Light Rail Initial Segment

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a contract with Brandt Road Rail Corporation to purchase a non-revenue vehicle to support Central Link Light Rail Initial Segment operations and maintenance requirements for a total authorized contract amount not to exceed \$624,915.

KEY FEATURES OF PROPOSED ACTION

- The proposed action provides for the purchase of a car mover that is initially needed for testing and start-up. The vehicle is equipped to move light rail vehicles on rail, and will be used to facilitate maintenance functions and respond to emergency situations/incidents. It will also be used to perform preventative maintenance on the wayside.
- This vehicle will partially satisfy the terms of the 2003 intergovernmental agreement between Sound Transit and King County. This agreement calls for Sound Transit to provide non-revenue vehicles needed for operations and King County to maintain them.
- Brandt Road Rail Corporation is a Canadian company and does not meet or satisfy the Buy America requirements. The Federal Transit Administration has granted the necessary waiver to satisfy FTA requirements.
- The non-revenue vehicle work element within the Initial Segment capital budget contains funds for the purchase of vehicles to support the operation of the segment. The total amount set aside for the purchase of these vehicles is \$2,000,000.

- A comprehensive list of all necessary non-revenue vehicles has been prepared and is estimated to be within the \$2 million authorized budget.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action would authorize execution of a contract with Brandt Rail Road Corporation to purchase the first non-revenue vehicle to support operations and maintenance requirements for the Central Link Light Rail Initial Segment for a total authorized contract amount not to exceed \$624,915.

Washington State Use Tax or Sales Tax applies to this vehicle purchase and will be paid directly to the State Department of Revenue by Sound Transit. Since tax is included in the budget for non-revenue vehicles, payment of the use or sales tax in the amount of \$55,618 is included in the budget table for the proposed action.

The total adopted capital budget for the Initial Segment is \$2.07 billion. Within that budget, \$2,000,000 has been set aside for non-revenue vehicles in the construction phase. Should the proposed action be approved, the remaining balance for this budget line item would be \$1,319,467.

The proposed action is consistent with the current adopted budget and is affordable within the agency's long-term financial plan and subarea financial capacity. The action will have no new revenue impact on Sound Transit.

BUDGET TABLE

Action Item: Brandt Road Rail Corporation (purchase a non-revenue vehicle (car mover) to support Central Link Operations and Maintenance requirements for the Initial Segment)
Washington State Use Tax (not included in contract)

(Year of Expenditure \$000)

Initial Segment	Adopted 2006 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	216,780	115,195		115,195	101,585
2 Preliminary Engineering	34,000	33,611		33,611	389
3 Final Design	145,523	140,837		140,837	4,687
4 Right of Way	223,516	191,692		191,692	31,824
5 Construction	1,170,439	1,056,994	681	1,057,675	112,764
6 Construction Services	86,875	84,437		84,437	2,438
7 Third Party Agreements	59,560	58,690		58,690	870
8 Vehicles	133,307	131,799		131,799	1,508
9 Total Current Budget	2,070,000	1,813,255	681	1,813,936	256,064
Construction Phase Detail					
10 Non-Revenue Vehicles	2,000	-	681	681	1,319
11 Other O&M Facility equipment	3,719	-		-	3,719
12 Other Systems contracts	123,741	105,906		105,906	17,835
13 Other Construction	1,040,979	951,088		951,088	89,891
14 Total Phase	1,170,439	1,056,994	681	1,057,675	112,764
Contract Amount					
	Board Approvals to Date (K)	Current Approved Contract Value (L)	Proposed Action (M)	Proposed Total for Board Approval (N)	Proposed Contract Value (O)
15 Contract Amount - Initial Segment			625	625	625
16 Contingency - Initial Segment			-	-	-
17 Total	-	-	625	625	625
18 Percent Contingency	0%	0%	0%	0%	0%
19 Washington State Use Tax			56	56	56

M/W/DBE – SMALL BUSINESS PARTICIPATION

In the procurement of this vehicle, it is not practical to set subcontracting goals for M/W/DBE or small business participation.

Equal Employment Opportunity

Brandt Road Rail Corporation is located in Regina, Saskatchewan, Canada. Its workforce demographics are 4.4% minorities and 8.75% women.

PROJECT DESCRIPTION AND BACKGROUND FOR PROPOSED ACTION

In June 2003, Sound Transit and King County entered into an intergovernmental agreement enabling King County to operate and maintain the Central Link Light Rail Initial Segment. Sound Transit is required to purchase the equipment necessary to support operations and maintenance of the rail system.

This action is the first procurement for the vehicles to be used to conduct daily operations and maintenance functions and to respond to routine and emergency situations dealing with Central Link operations.

This piece of equipment is needed to move the first light rail vehicle in and around the maintenance facility and yard tracks prior to electrification of the catenary system. The car mover will also be used to check clearances in the shop and yard storage tracks.

The car mover is the first non-revenue vehicle equipment put out for bid. It is a specialized unit and is outfitted with unique equipment that requires custom fabrication and manufacturing. It will be initially used to move light rail vehicles during system testing and start-up. One qualified bid was received by Brandt Road Rail Corporation for the amount of \$624,915.

Additional procurements will be required in the future to purchase other highly specialized equipment; including a hi-rail platform truck and a hi-rail bucket truck. Other non-revenue vehicle purchases will include items such as SUV's, utility vans, pick-up trucks, forklifts, trailers for re-railing equipment, pressure washers and landscaping equipment. When possible and applicable, hybrid vehicles will be purchased.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
R2003-06	Execution of an intergovernmental agreement between Sound Transit and King County for the operations and maintenance of Central Link Light Rail	5/22/03

CONSEQUENCES OF DELAY

This procurement is needed by September 2006. The lead time for the rail car mover is four to five months. Failure to take action by May 5, 2006 will delay the procurement.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI 4/19/06

LEGAL REVIEW

JW 4/26/06

SOUND TRANSIT

MOTION NO. M2006-38

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a contract with Brandt Road Rail Corporation to purchase a non-revenue vehicle to support Central Link Light Rail Initial Segment operations and maintenance requirements for a total authorized contract amount not to exceed \$624,915.

Background:

In June 2003, Sound Transit and King County entered into an intergovernmental agreement enabling King County to operate and maintain the Central Link Light Rail Initial Segment. Sound Transit is required to purchase the equipment necessary to support operations and maintenance of the rail system.

The proposed action provides for the purchase of a car mover that is initially needed for testing and start-up. This vehicle is needed to move the first light rail vehicle in and around the maintenance facility and yard tracks prior to electrification of the catenary system. It will be used to facilitate and perform maintenance functions, respond to emergency situations/incidents, and will be used to check clearances in the shop and yard storage tracks.

The car mover is the first piece of the non-revenue vehicle equipment put out for bid. It is a specialized unit and is outfitted with unique equipment that requires custom fabrication and manufacturing.

Brandt Road Rail Corporation is a Canadian company and does not meet or satisfy the Buy America requirements. The Federal Transit Administration has granted the necessary waiver to satisfy FTA requirements.

Additional procurements will be required in the future to purchase other highly specialized equipment; including a hi-rail platform truck and a hi-rail bucket truck. Other non-revenue vehicle purchases will include items such as SUV's, utility vans, pick-up trucks, forklifts, trailers for re-railing equipment, pressure washers and landscaping equipment. When possible and applicable, hybrid vehicles will be purchased.

Motion:

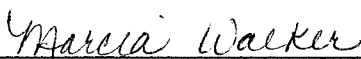
It is hereby moved by the Finance Committee of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract with Brandt Road Rail Corporation to purchase a non-revenue vehicle to support Central Link Light Rail Initial Segment operations and maintenance requirements for a total authorized contract amount not to exceed \$624,915.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 4, 2006.



Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION X
Alaska, Idaho, Oregon,
Washington

915 Second Avenue
Federal Bldg. Suite 3142
Seattle, WA 98174-1002
206-220-7954
206-220-7959 (fax)

APR 10 2006

Judy Crow
Contracts Manager
Sound Transit
401 S. Jackson Street
Seattle, Washington 98104-2826

Re: Buy America Waiver: Light Rail Vehicle Mover

Dear Ms. Crow:

This is in response to your letter of March 23, 2006, requesting a waiver of the "Buy America" provision as it applies to Sound Transit's purchase of a light rail vehicle car mover (LRV mover) under a contract from the Brandt Rail Corporation of Regina, Canada (Brandt) procured through a competitively bid process.

You have advised that after thorough research in consultation with other transit agencies and equipment manufacturers, Sound Transit determined the performance requirements for a LRV mover that would be needed by Sound Transit. You further advise that after two invitations for bids, you received only one responsive bid (the Brandt bid) which certified non-compliance with Buy America. Based on this procurement process, you have determined that there are no U. S. manufacturers of LRV movers that will meet the performance needs of Sound Transit and, therefore, request a "non-availability" Buy America waiver.


The Federal Transit Administration's (FTA) general requirements concerning domestic preference for the procurement of manufactured products are set forth in 49 U.S.C. Section 5323(j). Under 49 U.S.C. Section 5323(j)(2)(B), those requirements shall not apply if the item or items being procured are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality. The implementing regulation provides that a waiver will be granted, "if the grantee provides sufficient information which indicates that the item to be procured is only available from a single source or that the item to be procured is not produced in sufficient and reasonably available quantities or of a satisfactory quality in the United States." 49 C.F.R. Section 661.7(c)(2).

Based on the information you have provided, I have determined that the grounds for a "non-availability" waiver exist. Therefore, pursuant to the provision of 49 U.S.C. Section 5323(j)(2)(B), a waiver is hereby granted for the above-noted contract.

This letter applies to the application of Buy America to this procurement.

If you have any questions, please contact Ted Uyeno, 206-220-7958.

Sincerely,

A handwritten signature in black ink, appearing to read "R. F. Krochalis". The signature is written in a cursive style with a large initial "R" and "K".

R. F. Krochalis
Regional Director