

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2007-108

Procurement of Non-Revenue Vehicles for Central Link Light Rail Services

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	10/18/07	Discussion/Possible Action	Ahmad Fazel, Link Executive Director Charles Joseph, Program Manager – Transportation Services Andy Hughes, Project Manager - Maintenance	(206) 398-5389 (206) 398-5200 (206) 398-5147

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"/>
Agreement with Other Jurisdiction(s)	<input type="checkbox"/>	Budget Amendment	<input type="checkbox"/>
Real Estate	<input type="checkbox"/>	Property Acquisition	<input type="checkbox"/>

PROJECT NAME

Central Link Light Rail Initial Segment

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with Valley Freightliner, Inc. for the purchase of four non-revenue vehicles to support Central Link light rail operations and maintenance activities for a total authorized contract amount not to exceed \$915,683.

KEY FEATURES of PROPOSED ACTION

- The proposed action will authorize the purchase of four high-rail vehicles to provide support for Central Link light rail operations and maintenance activities; specifically, one track truck, two bucket trucks for use by Link light rail operations and maintenance, and one flatbed truck with crane for use by way, power, signals, and facilities.
- A budget of \$2,000,000 was established for procurement of approximately 22 non-revenue vehicles. In May 2006, an initial action was approved by the Finance Committee for procurement of a car mover out of this budget. In December 2006, two of the three electric carts were procured. In May 2007, the action to procure an initial fleet of seven diesel trucks was approved. One of the vans was also procured through the state contract. A balance of \$1,084,210 remains for procurement of the remaining ten vehicles. In lieu of purchasing one bucket truck and one platform truck, two bucket trucks will be procured upon approval of this action.

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 Adopted 2007 Budget for the Central Link Initial Segment is \$2.07 billion. Within that amount, \$2.0 million has been set aside for P812 Procurement of Non-Revenue Vehicles in the construction phase. When added to current commitments, the proposed action would increase this amount by \$915,682 to \$1,825,462, and leave a remaining balance of \$174,538 for this budget line item.

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.

Beyond the proposed action, Sound Transit will need to purchase eight (8) remaining non-revenue vehicles for the Initial Segment project. Should the proposed action be approved, the remaining budget balance for P812 Procurement of Non-Revenue Vehicles would fall short of the estimated costs to purchase these vehicles by approximately \$160,000. This shortfall will be funded from surplus budget for P811 Maintenance Equipment within the construction phase as part of the 2008 Budget update.

BUDGET TABLE

Action Item: Valley Freightliner (purchase four (4) non-revenue vehicles to support Central Link light rail operations and maintenance activities)

(Year of Expenditure \$000)

Initial Segment	Adopted 2007 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	214,780	140,711		140,711	74,069
2 Preliminary Engineering	33,357	33,310		33,310	46
3 Final Design	147,167	146,498		146,498	669
4 Right of Way	217,516	203,200		203,200	14,316
5 Construction	1,174,572	1,127,603	916	1,128,519	46,054
6 Construction Services	90,037	92,403		92,403	(2,366)
7 Third Party Agreements	60,264	62,543		62,543	(2,279)
8 Vehicles	132,307	131,799		131,799	508
9 Total Current Budget	2,070,000	1,938,068	916	1,938,983	131,017

Construction Phase Detail

10 P812 Non-Revenue Vehicles	2,000	910	916	1,825	175
11 Other Systems Construction	125,660	118,669		118,669	6,991
12 Other Construction	1,046,912	1,008,024		1,008,024	38,888
13 Total Phase	1,174,572	1,127,603	916	1,128,519	46,054

Contract Amount	Board Approvals to Date (F)	Current Approved Contract Value (G)	Proposed Action (H)	Proposed Total for Board Approval (I)	Proposed Contract Value (J)
14 Contract Amount	-	-	916	916	916
15 Contingency	-	-	-	-	-
16 Total Contract	-	-	916	916	916
17 Percent Contingency	0%	0%	0%	0%	0%

(B) COMMITTED TO DATE amounts are from Agency WBS Report as of August 2007 + approved and pending board actions not recorded as of 8/31/07, or submitted after that date.

14(H) CONTRACT AMOUNT includes state sales tax and vehicle tax.

10(E) UNCOMMITTED: Beyond the proposed action, Sound Transit will need to purchase eight more non-revenue vehicles for the Initial Segment project. Approval of the proposed action would leave a remaining budget balance that would fall short of the estimated costs for these vehicles by approximately \$160,000. This shortfall would be funded from surplus budget within the construction phase.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

Valley Freightliner, Inc. is the prime consultant for this contract and will supply all vehicles for this procurement.

EEO Commitment

Valley Freightliner, Inc. workforce demographics are 18% women and 9% minorities.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

A light rail system requires non-revenue vehicles to perform certain work functions in maintaining activities related to the light rail vehicle, facilities, right-of-way, power, signals, etc. These vehicles will be used to conduct daily operations and maintenance functions and enable staff to respond to routine and emergency situations dealing solely with Central Link light rail operations.

Based on work requirements, Sound Transit and King County Metro staff have discussed and reached agreement on the type, number, and procurement schedule.

Sound Transit issued an Invitation for Bid for the purchase of four high-rail specialty vehicles. Two bids from Valley Freightliner Inc. were received, each with Valley Freightliner as the prime with a different supplier. The bid price was analyzed and determined to be fair and reasonable. The price was higher than the independent cost estimate which was based on 2005 dollars.

Prior Board/Committee Actions

Motion/Resolution Number and Date	Summary of Action
R2003-06 6/2/03	Intergovernmental Agreement between Sound Transit and King County Metro for Operations and Maintenance of Central Link Light Rail.

CONSEQUENCES of DELAY

The procurement of these vehicles is needed by the fourth quarter of 2007. A delay in approving this action beyond October 2007 has the potential for causing delays and inefficiencies during the start-up phase.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

JI, 09/28/07

LEGAL REVIEW

JW 10/12/07

SOUND TRANSIT

MOTION NO. M2007-108

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Valley Freightliner, Inc. for the purchase of four non-revenue vehicles to support Central Link light rail operations and maintenance activities for a total authorized contract amount not to exceed \$915,683.

Background:

A light rail system requires non-revenue vehicles to perform certain work functions in maintaining activities related to the light rail vehicle, facilities, right-of-way, power, signals, etc. These vehicles will be used to conduct daily operations and maintenance functions and enable staff to respond to routine and emergency situations dealing solely with Central Link light rail operations.

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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 Valley Freightliner, Inc. for the purchase of four non-revenue vehicles to support Central Link light rail operations and maintenance activities for a total authorized contract amount not to exceed \$915,683.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 18, 2007.


Fred Butler
Finance Committee Chair

ATTEST:



Marcia Walker
Board Administrator