

MOTION NO. M2013-35
Contract to Purchase Nine Sounder Cab Cars

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Operations and Administration Committee	06/06/2013	Recommendation to Board	Bonnie Todd, Executive Director of Operations	206-398-5367
Board	06/27/2013	Final Action	Brian Freerks, Commuter Rail Mechanical Superintendent	206-689-4987

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with Bombardier Transportation, Inc. for the purchase of nine passenger cab cars in the amount of \$31,296,367, with a 5% contingency of \$1,564,818 for a total authorized contract amount not to exceed \$32,861,185, subject to Board adoption of Resolution R2013-12, which would provide the funding for this procurement.

KEY FEATURES SUMMARY

- This contract will allow Sound Transit to purchase nine passenger cab cars needed to cover ST2 service expansion requirements.
- The procurement will be made using assigned options from a contract between Sound Transit, the Utah Transit Authority (UTA) and Bombardier Transportation, Inc.
- Cab cars are equipped with an engineer's station to remotely control the locomotive for push/pull operation.
- The cab cars meet recommended FRA specification guidelines for Crash Energy Management (CEM), a design that provides additional safety protection features. The additional of CEM technology is not required by the Federal Railroad Administration at this time.
- Delivery of the vehicles will occur in early 2016, in support of the planned service expansion in the fourth quarter of 2016.
- This action is contingent upon Board adoption of Resolution R2013-12, which would amend the lifetime budget for the Sounder ST2 Fleet Expansion to add \$33,234,000.

BACKGROUND

Sounder South line commuter service began in 2000 and North line service began in 2003. Both lines are now fully built-out in accordance with the Sound Move program, with nine and four round trips on each line, respectively, and service extended to Lakewood last year. The ST2 plan funded additional service with four more south-line easements from BNSF. Service expansion on the Sounder South line will begin in September 2013 with the addition of one peak direction trip, increasing round trip service on the South line from nine to ten trips daily. Further expansion will take place in 2016 when a peak direction round trip and a reverse direction round trip will be added. A final round trip will be added in 2017, completing the ST2 Sounder service expansion. The additional equipment requested in this action is required for the service expansion planned in 2016 and will be sufficient for the final round trip added in 2017. Three locomotives needed for the ST2 expansion were procured in 2011 and recently delivered.

The procurement is based on an existing Utah Transit Authority contract with Bombardier Transportation, Inc. using named options that have been designated for Sound Transit. The use of

assigned options is a standard industry procurement practice widely used by public transit agencies and is approved by the Federal Transit Administration.

The nine cab cars will be added to the Sounder fleet which currently consists of 14 locomotives, 40 coaches, and 18 cab cars. All 58 Sounder passenger cars (coaches and cab cars) were also purchased from Bombardier between 1999 and 2003. All vehicles are maintained by Amtrak. The new coach cars will be placed on the South line to fulfill the expansion requirements planned for in ST2. Some of the cab cars will be used to replenish the depleted spare ratio when the first round trip begins later this year.

FISCAL IMPACT

The \$33,234,000 total cost for the Sounder cab procurement is \$20.9 million higher than the costs set aside within the agency's long-term financial plan. The procurement is charged to the Pierce subarea, consistent with the ST2 assumptions for subarea cost allocation for the ST2 additional Sounder easements. The Pierce subarea has sufficient financial subarea capacity to issue \$20.9 million of additional debt. However, the use of subarea financial capacity will reduce the subarea's ST3 financial capacity. In addition, the issuance of \$20.9 million of additional bonds will reduce the agency's net debt service coverage, which is already forecast to be below the board's 1.5x coverage policy minimum. Through the program realignment, staff is monitoring agency costs and revenues, and reporting quarterly to the board, to best balance long-term program and financial management. To offset the \$20.9 million of additional costs, staff will present options to the Board by the end of the first quarter of 2014 for capital and operating costs savings within the Pierce subarea, including options for reducing the scope of the ST2 Sounder maintenance base project.

The proposed action will be funded from the vehicle phase of Sounder ST2 Fleet Expansion project. A budget amendment to increase the lifetime budget is concurrently being submitted to the Board for adoption.

Upon the Board adoption of the budget amendment, the lifetime budget of the project is \$49,530,000 and the vehicle phase budget is \$49,280,000. Lifetime YTD spending at vehicle phase is \$15,396,000, leaving sufficient funds to cover the purchase of 9 cab cars.

The budget table below illustrates the budget impact of this action.

Project Budget

Sounder ST2 Fleet Expansion	2013 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted/ (Shortfall)
Agency Administration	-	-	-	-	-
Preliminary Engineering	250	-	-	-	250
Final Design	-	-	-	-	-
3rd Party	-	-	-	-	-
Right of Way	-	-	-	-	-
Construction	-	-	-	-	-
Vehicles	49,280	15,396	32,861	48,257	1,023
Contingency	-	-	-	-	-
Total Project Budget	\$ 49,530	\$ 15,396	\$ 32,861	\$ 48,257	\$ 1,273

Phase Detail

Vehicles	49,280	15,396	32,861	48,257	1,023
Total Phase	\$ 49,280	\$ 15,396	\$ 32,861	\$ 48,257	\$ 1,023

Contract Detail

Vehicles	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Bombardier	-	-	31,296	31,296
Contingency	-	-	1,565	1,565
Total Contract Amount	\$ -	\$ -	\$ 32,861	\$ 32,861
Percent Contingency	0%	0%	5%	5%

Notes:

Amounts are expressed in Year of Expenditure \$000.

Board Approvals = Committed to-date + Contingency, and includes pending Board Actions.

Project budget is located on page 63 of the 2013 Transit Improvement Plan. The lifetime budget has been amended to reflect the Resolution 2013-12 that is concurrently being submitted to Board for adoption.

SMALL BUSINESS PARTICIPATION

Not applicable to this action.

EQUAL EMPLOYMENT WORKFORCE PROFILE

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action

TIME CONSTRAINTS

A delay in approval of this action would not allow Sound Transit to use the options from UTA which expire on July 17, 2013. Sound Transit would need to seek options from another source or initiate a procurement likely resulting in higher cost.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2013-12: Amended the Adopted 2013 Lifetime Capital Budget Sounder ST2 Fleet Procurement from \$16,296,000 to \$49,530,000 and (2) amended the Adopted 2013 Annual Budget for the project from \$4,196,000 to \$15,196,000.

ENVIRONMENTAL REVIEW

JI 4/16/2013

LEGAL REVIEW

JW 5/30/2013

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Bombardier Transportation, Inc. for the purchase of nine passenger cab cars in the amount of \$31,296,367, with a 5% contingency of \$1,564,818 for a total authorized contract amount not to exceed \$32,861,185, subject to Board adoption of Resolution R2013-12, which would provide the funding for this procurement.

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MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract with Bombardier Transportation, Inc. for the purchase of nine passenger cab cars in the amount of \$31,296,367, with a 5% contingency of \$1,564,818 for a total authorized contract amount not to exceed \$32,861,185, subject to Board adoption of Resolution R2013-12, which would provide the funding for this procurement.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 27, 2013.



Julia Patterson
Board Vice Chair

ATTEST:



Marcia Walker
Board Administrator