

MOTION NO. M2016-123

Sounder Locomotive Overhaul Contract Amendment

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations & Administration Committee	12/01/2016	Recommend to Board	Bonnie Todd, Executive Director of Operations
Board	12/15/2016	Final Action	Michael Perry, Deputy Executive Director of Transportation and Maintenance Martin Young, Sounder Operations Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract amendment with Electro-Motive Diesel, Inc. to provide locomotive overhaul services in the amount of \$1,100,000, for a total authorized contract amount not to exceed \$19,488,764.

KEY FEATURES SUMMARY

- The Board approved the midlife overhaul of Sounder’s original eleven locomotives per Motion No. M2013-72 for a contract amount not to exceed \$18,388,764.
- As grant funding became available, and within the original contract authority, eight locomotives were upgraded from the minimum Environmental Protection Agency (EPA) Tier 0+ requirement for engines to the higher Tier 3 EPA standard to reduce emissions and provide fuel savings.
- Grant funding is available to upgrade the remaining three locomotives to Tier 3 engines. The funding has been anticipated and is part of the Proposed 2017 Budget. This action would provide the contract authority to perform the work.

BACKGROUND

In 2013 the Board approved Motion No. M2013-72 to execute a contract with Electro-Motive Diesel, Inc. (EMD) to perform midlife overhaul on Sounder’s original eleven locomotives. At that time Sound Transit received a grant from the Puget Sound Clear Air Agency to upgrade two locomotives from the minimum EPA Tier 0+ requirement for engines to the higher Tier 3 standard.

Since then, a Federal Congestion Mitigation Air Quality grant was used to upgrade four more locomotives to Tier 3 engines. Contingency was used to upgrade the seventh and eighth locomotives. This motion provides the contract authority for the remaining three locomotives to be upgraded to Tier 3 engines and will be covered by formula grant funding from the Federal Transit Administration.

The Puget Sound Clean Air Agency estimates that fuel savings from the higher Tier 3 standard to be 2,000 gallons per year per locomotive; the engines also provide significant emissions reductions.

The Sounder Vehicle Overhaul Program was created in 2012 to fund commuter rail asset overhauls to maintain, preserve, and extend the life of existing locomotive and vehicle assets. The midlife overhaul is expected to extend the life of the locomotives for another 12-15 years and ensure service reliability. Major components of the overhaul include the main engine, truck, and traction motors. In addition to the major components, other key components will be rebuilt or replaced and the exterior of the locomotive will receive body repairs and paint.

Sounder's fleet of locomotives is made up of eleven F59PHI locomotives manufactured by Electro-Motive Diesel, Inc. (EMD) between 1999 and 2001, and three new MPXpress MP40PH-3C locomotives manufactured by MotivePower, Inc. were added in 2013. With the addition of the new locomotives, the spare ratio improved enough to allow a locomotive to be out of service for overhaul work.

Electro-Motive Diesel, Inc. was selected for the overhaul work through a competitive procurement process and is also the manufacturer of Sounder's eleven original locomotives. The overhaul work is performed in the shop of its parent company, Progress Rail, located in Tacoma, Washington.

FISCAL INFORMATION

The project budget in the 2017 Transportation Improvement Plan (TIP) for the Sounder Vehicle Overhaul Program is \$25,101,406. Within that amount \$16,723,133 has been set aside in the Vehicle phase. The proposed action would commit an additional \$1,100,000 to this phase, leaving a remaining budget of \$6,269,771.

This action is within the adopted budget and sufficient monies remain after approval of the action to fund the remaining work in the Vehicle phase as contained in the current cost estimates.

Sounder Vehicle Overhaul Program

	Proposed 2017 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration	32				32
Preliminary Engineering	74				74
Final Design	305				305
Third Party Agreements					
Right of Way					
Construction	7,968	8,181		8,181	-214
Construction Services					
Vehicles	16,723	9,353	1,100	10,453	6,270
Total Current Budget	25,101	17,535	1,100	18,635	6,467

**Phase Detail
Vehicles**

Vehicles	16,723	9,353	1,100	10,453	6,270
Other Vehicles					
Total Phase	16,723	9,353	1,100	10,453	6,270

**Contract Detail
Electro-Motive Diesel, Inc.**

	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	16,717	16,701	1,100	17,817
Contingency Amount	1,672	1,527		1,672
Total Contract	18,389	18,227	1,100	19,489
Percent Contingency	10%	9%	0%	9%

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Committed To-Date + Contingency, and includes pending Board actions.

Project budget page is located on page 101 of 122 of the Proposed 2017 Transit Improvement Plan (TIP).

SMALL BUSINESS/DBE PARTICIPATION, APPRENTICESHIP UTILIZATION, AND TITLE VI COMPLIANCE

Not applicable to this action.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would not create a significant impact to the project schedule.

PRIOR BOARD/COMMITTEE ACTIONS

Authorized the chief executive officer to execute a contract with Electro-Motive Diesel, Inc. to provide locomotive overhaul services in the amount of \$16,717,058, with a 10% contingency of \$1,671,706, for a total authorized contract amount not to exceed \$18,388,764.

ENVIRONMENTAL REVIEW

JI 11/15/2016

LEGAL REVIEW

JW 11/28/2016

MOTION NO. M2016-123

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Electro-Motive Diesel, Inc. to provide locomotive overhaul services in the amount of \$1,100,000, for a total authorized contract amount not to exceed \$19,488,764.

BACKGROUND:

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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 amendment with Electro-Motive Diesel, Inc. to provide locomotive overhaul services in the amount of \$1,100,000, for a total authorized contract amount not to exceed \$19,488,764.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 15, 2016.



Dow Constantine
Board Chair

ATTEST:



Kathryn Flores
Board Administrator