

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2005-107

**Sole Source Contract
for Sounder Locomotive Turbocharger**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	12/1/05	Discussion/Possible Action to recommend Board Approval Action	Martin Minkoff, Director, Transportation Services	(206) 398-5111
Board	12/8/05		Martin Young, Program Mgr., Sounder Operations	(206) 398-5115

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	✓
Sole Source	✓	Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	

PROJECT NAME

Sole Source Contract for Procurement of Sounder Locomotive Turbocharger

PROPOSED ACTION

Authorizes the Chief Executive Officer to execute a sole source contract with Rail Systems, Inc. for the procurement of a new turbocharger for Sounder locomotives, for a total authorized contract not to exceed \$147,633.

KEY FEATURES of PROPOSED ACTION

- Due to wear on Sounder locomotives, it is prudent to procure a new turbocharger for installation when needed, allowing immediate replacement of an engine while the old one is being sent back to a manufacturer or other shop for overhaul.
- Through its contract with Electro-Motive Division (“EMD,” a division of the General Motors Corporation), a locomotive engine turbocharger would be procured for the Sounder fleet F-59PHI main engines. Sound Transit is obligated to procure all replacement parts, new or remanufactured, from an EMD distributor for a twelve-year period; Rail Systems, Inc. has been designated as the official US distributor for EMD rail products.
- The proposed procurement is of a sole source nature and is in accordance with FTA Circular 4220.1E for such proposals, complying with the following:
 - Item is an associated capital maintenance item that is procured directly from the original manufacturer or supplier of the item to be replaced.
 - Certification has been made in writing to the FTA that our maintenance guarantee precludes any other source for the item, and that a cost analysis finds the price reasonable.

BUDGET IMPACT SUMMARY

Project Name: Sounder Fleet Program
Current Project Phase: N/A
Projected Completion Date: N/A

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required		

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is assumed in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action would authorize the acquisition of a turbocharger for Sounder locomotives with a total cost of \$147,633. This item would be funded by the Sounder Fleet Program capital project, which would be created by Resolution R2005-25, pending approval by the Board on December 8, 2005. The total amount budgeted for this program would be \$1.6M, of which nothing has been spent to date.

BUDGET TABLE

The Sounder vehicle program capital budget would be created with the adoption of Resolution R2005-25, on December 8, 2005. This budget funds the proposed acquisition as follows:

Summary for Board Action (Year of Expenditure \$000)

Action Item: Purchase turbocharger from Rail Systems, Inc in the amount not to exceed \$147,633.

	Current Board Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action ³ (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	-	-	-	-	-
2 Pre-Engineering	-	-	-	-	-
3 Final Design	-	-	-	-	-
4 Right of Way	-	-	-	-	-
5 Construction	-	-	-	-	-
6 Vehicles	1,600	-	148	148	1,452
7 Contingency	-	-	-	-	-
8 Total Current Budget	1,600	-	148	148	1,452

Phase Budget Detail By Subarea

8 Snohomish County	447	-	41	41	406
9 South King County	634	-	58	58	575
10 East King County	-	-	-	-	-
11 Pierce County	519	-	48	48	471
12 Total Phase	1,600	-	148	148	1,452

Contract Budget	Current Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
Rail Systems, Inc.	\$ -	\$ -	\$ 148	\$ 148
ST Contingency	-	-	-	-
Total	-	-	148	148
Percent Contingency	N/A	N/A	0%	0%

Notes

- ¹ Created through Board adoption of Resolution R2005-25, December 8, 2005.
- ² Committed to date represents acquisitions approved by the Board through November 2005.
- ³ This action would commit to an acquisition of a spare turbocharger unit for Sounder locomotives.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Because this vendor was identified as a required supply contractor to maintain the maintenance agreement for the turbocharger, M/W/DBE-Small Business participation requirements are not applicable to this action. In the underlying procurement for the locomotives, General Motors Corporation had in place its own FTA-approved DBE program that applied to all vendors and suppliers for its transit-related products.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

Sound Transit procured its eleven locomotives from Electro-Motive Division (“EMD,” a division of the General Motors Corporation, Contract No. RTA/CR 10-98) through a competitive bid process. The locomotives have been in service for five years.

The turbocharger is a forced induction system; it is a mechanism that forces additional air into the engines, obtaining more power from the explosion of the fuel in the cylinders. Having a spare one would free another currently in use for reconditioning without requiring a locomotive to be out of service for a protracted period of time.

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

Motion or Resolution Number	Summary of Action	Date of Action
M99-22	Authorized contract amendment with General Motors Corporation to procure 5 locomotives.	12/9/99
R98-38	Authorized execution of contract with General Motors Corporation to procure 6 locomotives	7/23/98

CONSEQUENCES of DELAY

No significant consequences for a period of delay barring the failure of a turbocharger now in service.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 11/22/05

SOUND TRANSIT

MOTION NO. M2005-107

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Chief Executive Officer to execute a sole source contract with Rail Systems, Inc. for the procurement of a new turbocharger for Sounder locomotives, for a total authorized contract amount not to exceed \$147,633.

Background:

Sound Transit procured its eleven locomotives from Electro-Motive Division ("EMD," a division of the General Motors Corporation, Contract No. RTA/CR 10-98) through a competitive bid process. The locomotives have been in service for five years.

The turbocharger is a forced induction system; it is a mechanism that forces additional air into the engines, obtaining more power from the explosion of the fuel in the cylinders. Having a spare one would free another currently in use for reconditioning without requiring a locomotive to be out of service for a protracted period of time.

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 sole source contract with Rail Systems, Inc. for the procurement of a new turbocharger for Sounder locomotives, for a total authorized contract amount not to exceed \$147,633.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 8, 2005.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator



September 8, 2005

TO: Joni Earl, Chief Executive Officer
Vernon Stoner, Deputy Chief Executive Officer

FROM: Martin Minkoff, Commuter Rail Director
Martin Young, Sounder Operations Manager

SUBJECT **New Turbocharger for EMD Locomotive**
SOLE SOURCE JUSTIFICATION

This memo is set forth to provide the Justification and Approval of a Sole Source Procurement Action.

A. Background

Sound Transit procured its 11 Locomotives (original six plus five with an option) from the Electromotive Division of General Motors Corporation (Contract No. RTA/CR 10-98) through a competitive bid process. Sounder locomotives have been in service for five years and it is prudent to have a "spare" turbocharger in place in the event a turbocharger is subject to failure due to wear and needs to be replaced.

B. Recommendation

It is herein recommended that Sound Transit contract with Rail Systems, Inc. (RSI) sole distributor for Electro-Motive Division of General Motors (EMD) to acquire a new turbocharger through a sole source procurement. The cost is estimated to be approximately \$135,000.

C. Justification

Through its Contract with EMD Sound Transit is obligated to procure all replacement parts - either new or remanufactured – from the Contractor or distributor for a 12-year period in order to keep the Locomotive Maintenance Guarantee in force.

D. Funding

The funds for this acquisition will require Board Authorization as the amount is in excess of \$100,000. There is adequate budget for this contract within the current Sounder Operations division budget.

The above is certified accurate and complete to the best of my knowledge and belief.

Commuter Rail Program Manager: _____

Transportation Services Director: _____

Approval Chief Executive Officer: _____