

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2008-26**

**Contract Amendment for Vehicle Maintenance Strategy Consulting Services**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	2/21/08	Discussion/Possible Action	Bonnie Todd, Director of Transportation Services <b>Martin Young, Program Manager, Sounder Operations</b>	(206) 398-5367  (206) 398-5115

<b>Contract/Agreement Type:</b>	<b>✓</b>	<b>Requested Action:</b>	<b>✓</b>
Competitive Procurement	✓	Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

**PROJECT NAME**

Sounder Commuter Rail Vehicle Maintenance Strategy

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract amendment with Raul V. Bravo + Associates to provide consulting services for the Sounder Commuter Rail Vehicle Maintenance Strategy project in the amount of \$84,000, for a new total authorized contract amount not to exceed \$283,980.

**KEY FEATURES of PROPOSED ACTION**

Sounder initiated a strategy for long-term fleet maintenance with a competitive procurement process and selection of Raul Bravo + Associates (RVBA) last spring. The first phase of RVBA's work confirmed staff's own perception with an industry analysis concluding that at full build out of Sounder service, there is an opportunity for cost savings when compared to peers.

- This action is being requested because staff has identified significant potential benefits from additional technical services in analyzing fleet maintenance opportunities; the current 10-year agreement with Amtrak covers a term through 2009 and extends automatically unless either party provides notice otherwise.
- Sound Transit executed a competitively procured technical services contract with RVBA in the spring of 2007; this action allows the analysis of site-specific alternatives with a cost model that will be used for determining both capital and operating expenditures associated with specific potential maintenance facility site locations.
- RVBA accomplished great economies in compiling a large amount of high-quality information to support Sound Transit needs during the initial tasks involved with this project; this action would be the logical follow-on in augmenting the original data for a transition to Phase II – implementation work.
- An option has been exercised to extend the contract term to December 31, 2008. An additional one-year option to extend remains.

## **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 be funded through the Sounder Commuter Rail transit operations budget. The Adopted 2008 Budget for Sounder Commuter Rail is \$32,402,190. Within that amount \$13,491,247 has been set aside for services, including consulting services. This contract is affordable within the existing budget constraints. The proposed action is consistent with the current adopted budget, and is affordable with the agency's long-term financial plan and subarea financial capacity. The action will have no new revenue impact on Sound Transit.

## **BUDGET TABLE**

The proposed contract amendment will be funded by the Sounder transit operations budget, which was detailed on page 55 of the Proposed 2008 Budget Book (Resolution No. R2007-25, 2008 Budget Amendment #2 reduced Miscellaneous Services from \$865K to \$775K). The impact of this action on the budget is illustrated below:

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

**Action Item: Execute a contract amendment with Raul V. Bravo + Associates (RVBA) to provide consulting services for the Sounder Commuter Rail Vehicle Maintenance Strategy project**

Contract Budget		Approved Contract Value <sup>1</sup> (A)	Committed to Date (B)	Proposed Action <sup>2</sup> (C)	Proposed Total Contract Value (D)
1	Raul V Bravo & Associates	200	107	70	270
2	Contingency	-	-	14	14
3	Total for RVBA	200	107	84	284

Contract to be Charged: Transportation Services Department, Account Budget		Current Board Adopted Budget <sup>3</sup>	Spent and/or Committed to Date	2008 Portion Proposed Action	Future Operating Budgets <sup>4</sup>
5	Miscellaneous Services, consulting	775	456	84	-
6	Other Sounder Services	12,716	N/A	N/A	N/A
10	Total Services Budget	13,491	456	84	-

### **Notes**

<sup>1</sup> The existing contract is for an authorized amount of \$199,980.

<sup>2</sup> The amount committed to date is \$107,000. The proposed contract amendment would add \$70,000 plus a 20% contingency to allow for the scope of work to be completed.

<sup>3</sup> This contract will be funded by the 2008 transit operations budget, in Sounder Miscellaneous Services. The total amount budgeted in 2008 is \$775,207. The budget is sufficient to fund this contract amendment.

<sup>4</sup> This scope of work is expected to be completed during 2008. Any scope remaining at year-end would be funded through future transit operations budgets.

## **SMALL BUSINESS PARTICIPATION**

Raul V. Bravo + Associates is an MBE/DBE firm and will perform 100% of the work for this contract, but may draw from industry experts for additional resources to augment the existing small business staff and ensure meeting an ambitious schedule.

### **EEO Commitment**

RVBA has a 29% Women and 6% People of Color/Minority workforce.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

With Sound Transit's current contract with Amtrak for the Maintenance and Repair of Commuter Rail Rolling Stock due to expire on December 31, 2009, Sound Transit identified a need for a clear strategy and direction for securing maintenance and repair services in 2010 and beyond in order to address the future maintenance of equipment (MOE) needs.

Sound Transit issued a Request for Proposals in February 2007; RVBA was selected as the best value proposal submitted.

The original scope of work was to explore and consider a range of strategic options to address future MOE needs, and anticipated the possibility of further work to define the optional direction, as well as a Phase II for further research and analysis built upon Phase I work. Phase I produced a derivation of alternative price/cost curves and calculated likely savings and investment possibilities at a macro level.

RVBA completed four tasks for the Sounder Maintenance Strategy Development and, based on their findings, have prompted Sound Transit to desire more detail in preparing a final recommendation on alternative scenarios studied. The Sounder Vehicle Maintenance Strategy project has already provided analytical data for evaluating MOE alternatives and determining if further analysis would be worthwhile, which was found to show merit.

The RVBA analysis showed that Sound Transit is paying more than its industry peers for maintenance costs. Sound Transit is exploring ways to bring those costs down. The contract amendment will assist those efforts by producing a cost model detailing the capital and operating expenditures for potential maintenance facility locations.

### **Prior Board/Committee Actions**

None.

## **CONSEQUENCES of DELAY**

A delay beyond February may cause a loss in continuity and efficiency as work currently underway involves a planned transition among consultant team member availability.

## **PUBLIC INVOLVEMENT**

Not applicable to this action.

## **ENVIRONMENTAL COMPLIANCE**

SSK 1/31/08

## **LEGAL REVIEW**

JW 2/11/08

## **SOUND TRANSIT**

### **MOTION NO. M2008-26**

A motion of the Finance Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract amendment with Raul V. Bravo + Associates to provide consulting services for the Sounder Commuter Rail Vehicle Maintenance Strategy project in the amount of \$84,000, for a new total authorized contract amount not to exceed \$283,980.

#### **Background:**

With Sound Transit's current contract with Amtrak for the Maintenance and Repair of Commuter Rail Rolling Stock due to expire on December 31, 2009, Sound Transit identified a need for a clear strategy and direction for securing maintenance and repair services in 2010 and beyond in order to address the future maintenance of equipment (MOE) needs.

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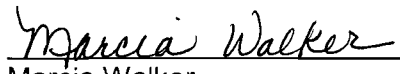
#### **Motion:**

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 amendment with Raul V. Bravo + Associates to provide consulting services for the Sounder Commuter Rail Vehicle Maintenance Strategy project in the amount of \$84,000, for a new total authorized contract amount not to exceed \$283,980.

APPROVED by the Finance Committee of the Central Puget Sound Regional Transit Authority  
at a regular meeting thereof held on February 21, 2008.

  
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Aaron Reardon  
Finance Committee Chair

ATTEST:

  
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Marcia Walker  
Board Administrator