

## RESOLUTION NO. R2010-06

**Amendment to the Adopted 2010 Lifetime Capital Budget to create a new capital project and funding for Sounder ST2 Fleet Procurement**

MEETING	DATE	TYPE OF ACTION	STAFF CONTACT	PHONE
Board	3/25/10	Final Action	Bonnie Todd, Executive Director, Operations <b>Michael Perry, Director Transportation and Maintenance, Operations</b>	(206) 398-5367 (206) 398-5388

## PROPOSED ACTION

Amends the Adopted 2010 Lifetime Capital Budget to create a new capital project for Sounder ST2 Fleet Procurement in the amount of \$15,546,000 and to transfer \$2,000,000 into the vehicle phase of the Adopted 2010 Annual Capital Budget.

## KEY FEATURES

- Creates a new capital project, Sounder ST Fleet Procurement, and establishes the lifetime and annual budgets for locomotive procurements. The project passed through Phase I/Gate 1, which approves the creation of a new project title, scope and budget.
- The proposed action is consistent with the 2010 Adopted Service Implementation Plan for Sounder and is affordable within the Agency's financial plan.
- Board approval of the proposed action allows Sound Transit to participate in a procurement of locomotives being led by the South Florida Regional Transit Administration (SFRTA). SFRTA is currently in the early stages of an Invitation for Bid procurement. Cost savings could be realized through joint procurement compared to Sound Transit procuring locomotives on its own. Currently, there are no other locomotive procurements in the country that would meet Sound Transit's operational and financial requirements.
- Upon completion of the joint procurement with SFRTA, staff will seek Board authorization to purchase the three locomotives. The estimated cost is approximately \$14,250,000 plus sales tax, and includes associated engineering costs.

## PROJECT DESCRIPTION

Three additional locomotives are necessary to meet the scheduled expansion of service funded through ST2 and the 2010 Adopted Service Implementation Plan. The ST2 Financial Plan included two items for Sounder fleet expansion; an initial fleet procurement phase to purchase three Sounder locomotives plus associated cab cars and passenger coaches, and a second phase to purchase additional cab cars and passenger coaches later in the ST2 implementation horizon.

The additional locomotives allow up to four additional trips to be operated between Seattle and Lakewood beginning in 2012.

## BUDGET AND FINANCIAL PLAN DISCUSSION

The ST2 Financial Plan included a Sounder vehicle procurement to coincide with the purchase of the additional easements from BNSF. This fleet procurement was budgeted at \$26.4 million in 2007\$ and was intended to fund the purchase of three locomotives plus associated cab cars and passenger coaches to allow for additional round trips to be provided. This proposed action creates a new capital project, #755 Sounder ST2 Locomotive Procurement, and funds locomotive procurement through Phase I Gate 1. The

Lifetime Capital Budget and six-year Transit Improvement Program for locomotives would be \$15,546,000 in year of expenditure dollars, including sales tax associated with the purchase price.

The Adopted 2010 Annual Capital Budget is amended to reflect the planned spending in 2010 related to the joint procurement. Spending in 2010 is mainly related to specification development, vehicle engineering services to ensure compatibility with the rest of the Sounder fleet, and any production oversight services that might be necessary. The remaining locomotive project budget will be spent in 2011 and 2012 and is associated closely with production and delivery of the locomotives.

This budget amendment is consistent with the current cost estimate and with the agency's financial plan. This project is located within the South King County and Pierce County subareas.

## BUDGET TABLE

### 755 - Sounder ST2 Fleet Procurement

\$1000s

Phase	2010 Annual Budget			Lifetime Budget		
	2010 Adopted Project Budget	Budget Transfer	Revised Project Budget	2010 Adopted Project Budget	Budget Transfer	Revised Project Budget
Agency Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Preliminary Engr / Environmental Review	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Final Design / Specifications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ROW Acquisition and Permits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ 15,546	\$ 15,546
Testing and Start-up	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ 15,546</b>	<b>\$ 15,546</b>
<i>Create a new project through Phase Gate 1 to fund the procurement of locomotives and passenger cars in support of ST2 service expansion.</i>						

## SMALL BUSINESS PARTICIPATION

Not applicable for this action.

## BACKGROUND

The ST2 plan includes four additional train easements, or round trips, on the Sounder South Line to increase capacity and customer schedule convenience. Negotiations with BNSF on the scope of these easements started in early 2009 and resulted in the following draft implementation plan:

Easement	Start Date
1	12/2012
2	2014
3	2015
4	2016

The primary objective is to increase capacity during peak demand times, while optimizing fleet utilization. There are no service additions on the Sounder North Line.

To meet the ST2 service expansion, the Sounder fleet must increase by three locomotives. This will provide the capacity for additional peak direction trips on the Sounder South Line, to begin service to Lakewood on schedule, and to maintain necessary ratios for spare vehicles in the existing fleet.

#### ENVIRONMENTAL COMPLIANCE

Not applicable for this action.

#### PRIOR BOARD/COMMITTEE ACTIONS

Not applicable for this action.

#### TIME CONSTRAINTS

Delaying the purchase of locomotives will risk the start of expanded ST2 Sounder service. This action is necessary to demonstrate to SFRTA that Sound Transit has the budget authority to commit to procurement of the locomotives.

#### LEGAL REVIEW

LA:mw 03/25/10

## SOUND TRANSIT

### RESOLUTION NO. R2010-06

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Adopted 2010 Lifetime Capital Budget to create a new capital project for Sounder ST2 Fleet Procurement in the amount of \$15,546,000 and to transfer \$2,000,000 into the vehicle phase of the Adopted 2010 Annual Capital Budget.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under RCW Chapters 81.104 and 81.112 for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030 and is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and


WHEREAS, in general elections held within the Central Puget Sound Regional Transit Authority district on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system and that system includes Sounder commuter rail service; and

WHEREAS, three additional locomotives are necessary to meet scheduled expansion of Sounder service between Seattle and Lakewood; and


WHEREAS, the project passed through Phase I Gate 1, which approves the creation of a new project title, scope and budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority to create a new capital project for Sounder ST2 Fleet Procurement with a lifetime budget of \$15,546,000 and to transfer \$2,000,000 into the vehicle phase of the Adopted 2010 Annual Capital Budget.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 25, 2010.

  
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Aaron Reardon  
Board Chair

ATTEST:

  
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Marcia Walker  
Board Administrator