

**RESOLUTION NO. R2017-28**
**Amending the Adopted 2017 Annual Budget for Sounder Procurements**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Board	8/24/2017	Final Action	Bonnie Todd, Executive Director of Operations <b>Martin Young, Commuter Rail Manager</b>

**PROPOSED ACTION**

Amends the Sounder Sound Transit 2 Fleet Expansion project to allow for the procurement of one locomotive and three passenger cars by (a) increasing the authorized project allocation to date by \$17,670,000 from \$49,530,000 to \$67,200,000 (b) increasing the 2017 annual budget by \$3,520,000 from \$3,244,133 to \$6,764,133 and (c) adopting Sounder Fleet Expansion as the new project name.

**KEY FEATURES SUMMARY**

- The proposed action will fund the procurement of one used and refurbished Tier 3 locomotive and three new passenger cars.
- The used and refurbished Tier 3 locomotive is needed to ensure fleet reliability and to provide an adequate spare ratio.
- Three passenger cars are needed to accommodate increasing south line ridership and to address fleet reliability and to provide an adequate spare ratio.
- This action also changes the name of the project from Sounder Sound Transit 2 (ST2) Fleet Expansion to Sounder Fleet Expansion in consideration of fleet expansion now and in the future.

**BACKGROUND**

With the current fleet of 14 locomotives, 11 locomotives are in daily service; one unit is typically in maintenance, and one unit is dedicated for either an overhaul, refurbishment, or other repair project. This leaves Sounder Operations with only one spare unit. Amtrak has been able to support Sounder extra locomotive needs through an existing cross-lease; however, because their new fleet of locomotives will be incompatible with Sounder cars, this will no longer be an option in the future. The purchase of a used and refurbished Tier 3 locomotive would provide Sound Transit adequate vehicles for service coverage.

In 2013 two Sounder north line passenger cars were shifted to the south line to help offset increasing ridership demands. With the gradual increase in north line ridership, Sounder north is expected to need those two cars back in 2019. The purchase of three more passenger cars would be used on the south line to replace the two cars borrowed from the north line and provide one extra to ensure adequate vehicles for service coverage.

Sound Transit anticipates \$7,800,000 in grant funding for these purchases.

If this budget amendment is approved, Sounder staff plans to bring a procurement for a used, refurbished locomotive to the Board in third quarter 2017. Staff researched the open market for compatible used and refurbished passenger cars for sale but were unable to locate any. Staff is currently reviewing the market for new passenger cars and plans to bring a procurement to the Board in 2018. Authority to proceed with the cars in 2017 will enable staff

to begin the procurement process in advance of the following budget cycle, thereby expediting relief to the fleet resource constraints.

**FISCAL INFORMATION**

The proposed action increases the authorized project allocation to date by \$17,670,000 from \$49,530,000 to \$67,200,000 and increases the 2017 annual budget by \$3,520,000 from \$3,244,133 to \$6,764,133.

The \$17,670,000 budget increase allows for the procurement estimated at \$3,520,000 for the used locomotive and \$14,150,000 for the 3 passenger cars. This procurement is eligible for \$7,800,000 in grant funding under the FTA Section 5307 Urbanized Area formula funds.

This action does have an impact on the agency’s financial capacity. This action will also adopt Sounder Fleet Expansion as the new name for this project to encompass the management of fleet expansion for all ST programs.

**Sounder ST2 Fleet Expansion**

(in thousands)

Project Phase	Annual Project Budget			Authorized Project Allocation to Date		
	Adopted 2017 Annual Project Budget	Budget Revision	Revised 2017 Annual Project Budget	Authorized Project Allocation to Date (Current)	Allocation Change	Authorized Project Allocation to Date (New)
Agency Administration	\$	\$	\$	\$4	\$	\$4
Preliminary Engineering						
Final Design						
Third Party Agreements						
Right of Way						
Construction						
Construction Services						
Vehicles	3,244	3,520	6,764	49,526	17,670	67,196
Contingency						
<b>Total</b>	<b>\$3,244</b>	<b>\$3,520</b>	<b>\$6,764</b>	<b>\$49,530</b>	<b>\$17,670</b>	<b>\$67,200</b>

**Notes:**

Amounts are expressed in Year of Expenditure.  
For detailed project information, see page 46 of 147 in the Adopted 2017 Transit Improvement Plan.

**SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION**

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that there were few Small Business and DBE subcontracting opportunities based upon the work described in this contract, so Small Business/DBE goals were not established.

**PUBLIC INVOLVEMENT**

Not applicable to this action.

**TIME CONSTRAINTS**

A one-month delay may impact the procurement timeline.

**PRIOR BOARD/COMMITTEE ACTIONS**

Resolution No. R2016-37: Adopts an annual budget for the period from January 1 through December 31, 2017, and adopts the 2017 Transit Improvement Plan.

**ENVIRONMENTAL REVIEW**

JI 4/20/2017

**LEGAL REVIEW**

AJP 7/28/2017





RESOLUTION NO. R2017-28

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority amending the Sounder Sound Transit 2 Fleet Expansion project to allow for the procurement of one locomotive and three passenger cars by (a) increasing the authorized project allocation to date by \$17,670,000 from \$49,530,000 to \$67,200,000 (b) increasing the 2017 annual budget by \$3,520,000 from \$3,244,133 to \$6,764,133 and (c) adopting Sounder Fleet Expansion as the new project name.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under chapters 81.104 and 81.112 RCW for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit 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, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, Sounder commuter rail has a shortage of vehicles and spares, and this resolution will fund the procurement of one used and refurbished Tier 3 locomotive and three new passenger cars; and

WHEREAS, Sounder has just one locomotive available as a spare currently, out of a fleet of 14, and the purchase of a used and refurbished Tier 3 locomotive will provide adequate vehicles for service coverage; and

WHEREAS, increases in Sounder south line ridership require two additional passenger cars, and the Sounder passenger fleet needs an additional spare to provide adequate vehicles for service coverage.

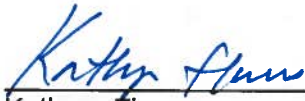
NOW, THEREFORE, BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that the Sounder Sound Transit 2 Fleet Expansion project is amended to allow for the procurement of one locomotive and three passenger cars by (a) increasing the authorized project allocation to date by \$17,670,000 from \$49,530,000 to \$67,200,000 (b) increasing the 2017 annual budget by \$3,520,000 from \$3,244,133 to \$6,764,133 and (c) Sounder Fleet Expansion is adopted as the new project name.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on August 24, 2017.



Dave Somers  
Board Chair

ATTEST:



Kathryn Flores  
Board Administrator