

T Transportation Committee

Meeting Date: October 8, 2007

For the Metropolitan Council Meeting – October 24, 2007

ADVISORY INFORMATION	
Date:	September 28, 2007
Subject:	Authorization for Sole Source Purchase of Light Rail Vehicle Parts
District(s), Member(s):	All
Policy/Legal Reference:	Council Procurement Procedure 3-4-3a.
Staff Prepared/Presented:	Brian Lamb, General Manager - 612-349-7510 Vince Pellegrin, Chief Operations Officer– 612-341-5612 Sheri Gingerich, Deputy Chief Operations Officer.- 612-341-5660 Ed Toomey, Director Rail Vehicle Maintenance – 612-341-5605 Chris Gran, Director of Purchasing – 612-349-5060
Division/Department:	Metro Transit

Proposed Action/Motion

That the Metropolitan Council authorize the Regional Administrator to purchase light rail vehicle parts on a sole source basis from the vendors listed below in the amounts requested.

Issue

- Sole source procurements valued at greater than \$250,000 must be authorized by the Council.

Overview and Funding

Metro Transit is scheduled to overhaul its 27 light rail vehicles over a two-year period beginning July 2009 and continuing through July 2011. The LRVs will reach approximately 500,000 miles each during the two-year period, at which time the vehicle manufacturer recommends overhaul of the vehicle. The overhaul program will involve removal and replacement or rebuild of the truck, traction motor, axle assembly, pantograph, and the hydraulic, brake, coupler, HVAC, and propulsion systems.

Replacement parts, with an estimated total cost of \$7 million, will be required for the overhaul program. Approximately \$2 million of the parts can be competitively procured. However, some LRV parts are highly specialized and proprietary and are available from only one source. Approximately \$5 million of the parts cannot be competitively procured and are available from only one source.

This authorization is requested at this time because some of these sole source purchases involve parts that have extremely long lead times, with delivery up to 64 weeks after the order is placed.

Supplier	Sole Source Authorization Request	Description
Voith Turbo	\$1,850,000	Gearbox Parts
Knorr Corporation	\$1,500,000	Brake and Suspension System Parts
Bombardier Corporation	\$1,000,000	Wear Surfaces for Articulation Joint, Suspension Parts, Wheel Brake Units and Center Truck Parts

Funds in the amount of \$3.5 million are available for these purchases. Purchase of the remaining required parts is contingent upon receiving adequate funding in the future.