To: Chairman Milde and the VRE Operations Board

From: Doug Allen

Date: June 20, 2014

Re: Authorization to Issue a Request for Proposals for Maintenance of Equipment and Equipment Storage and Maintenance Facilities

Recommendation:

The VRE Operations Board is being asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for maintenance of equipment and equipment storage and maintenance facilities.

Background:

On December 17, 2009, VRE awarded a contract to Keolis Rail Services America for Operations and Services. Since this time, VRE has acquired new locomotives, issued contracts to replace the remaining legacy passenger car fleet and has adopted a life-cycle maintenance approach. Currently, all mechanical services are provided for under a cost plus purchase of services agreement. VRE is in need of a competitive procurement to transition to a fixed fee Contract and a modified scope of work that reflects the implementation of life cycle maintenance. Therefore, VRE must now complete a competitive solicitation for continuation of these services.

The scope of work for the RFP includes providing management, supervision and labor to perform daily, preventive and life cycle maintenance for a current fleet of twenty (20) MP36PH-3CT2R locomotives and up to one-hundred ten (110) Gallery Style passenger coaches currently manufactured by Nippon Sharyo. This will be considered the base work and provided for under a fixed fee purchase of services agreement. The Contract will include mechanisms to expand the scope of work if fleet size increases. In addition, running repair services will be included in this
Contract and provided through separate task orders. Included in this solicitation will be maintenance and repairs for VRE’s equipment storage and maintenance facilities.

As a result of this solicitation, there will be separate Contracts for train operations and maintenance of equipment services. In both Contracts there will be protocols and requirements to ensure harmony and a focused approach towards a common goal. These protocols and requirements will be in the form of mandated, cooperative processes developed jointly by VRE and the contractors. Incentives and penalties will be based on these cooperative efforts to promote a safe and reliable service for VRE customers.

The base Contract term will be for five years with two, five year options exercised at the discretion of VRE. This Contract will run concurrent with the train operations services Contract.

Upon receipt of the proposals, VRE will return to the VRE Operations Board with a request for authorization to award the contract in an effort to continue the services without interruption. The RFP is planned to be published in July 2014 with proposals due in October 2014. Contract award is anticipated in January of 2015 allowing for a five month mobilization and seamless transition period.

**Fiscal Impact:**

There is no fiscal impact associated with the issuance of this solicitation.
Virginia Railway Express
Operations Board

Resolution
9A-06-2014

Authorization to Issue a Request for Proposals
for Maintenance of Equipment and Equipment
Storage and Maintenance Facilities

WHEREAS, VRE currently contracts all VRE train operations and mechanical services under an Operations and Services contract; and,

WHEREAS, VRE has acquired new locomotives and passenger cars; and,

WHEREAS, VRE has adopted a life-cycle maintenance approach to ensure long-term reliability of VRE locomotives and passenger cars; and,

WHEREAS, currently maintenance of equipment services are provided for under a cost plus purchase of services agreement; and,

WHEREAS, VRE desires to obtain these maintenance services through a fixed fee purchase of services agreement for the base work with task order Contracts for running repair and non-standard work.

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for Maintenance of Equipment and Equipment Storage and Maintenance Facilities.

Approved this 20th day of June 2014

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Paul Milde
Chairman

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Gary Skinner
Secretary