Agenda Item 8-A
Consent Item

To: Chairman Smedberg and the VRE Operations Board
From: Doug Allen
Date: July 21, 2017
Re: Authorization to Issue an Invitation for Bids for the Repair and Overhaul of Passenger Car HVAC Assemblies

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for the repair and Overhaul of Passenger Car HVAC assemblies for a base year and 4 option years.

Background:

Each VRE Gallery IV Passenger car is equipped with two (2) Heating, ventilation, and air conditioning (HVAC) assemblies that maintain a preset comfort level in the passenger area by cooling, heating or ventilating the air being circulated.

The HVAC assemblies installed on VRE Passenger cars delivered prior to 2011, 71 cars total, uses R-22 refrigerant which is a hydrochlorofluorocarbon (HCFC) that the U.S. Environmental Protection Agency (EPA) has labeled as a Class II Ozone Depleting Substance. The EPA has implemented phase-down regulations which will eliminate new production and imports of most harmful HCFCs, including R-22 refrigerant, by 2020 because of the damage these chemicals do to the ozone layer.

Once the phase-down regulations are in effect, procurement of R-22 to service and maintain the Passenger Car HVAC Assemblies will become increasingly more difficult.

Mixing refrigerants in the HVAC assemblies is not permitted and as such the recommended practice is to update the HVAC assemblies to accommodate use of R-407C, an environmentally-friendly refrigerant. The overall approach is to pump down (remove) and recycle the R-22 refrigerant, then repair, modify and overhaul the HVAC assemblies.
Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made based on price alone without discussions or negotiations with the Bidders.

The scope of work for the IFB includes the removal of R-22 refrigerant, the disassembly, repair, inspection, overhaul, testing and shipping of the HVAC assemblies.

The mechanical contractor will remove and replace the HVAC assemblies as part of the ongoing life cycle maintenance strategy.

Upon receipt of the bids, staff will return to the Board to request authorization to award the contract.

**Fiscal Impact:**

This project is included in the CIP for Equipment Asset Management Program for FY 2018 funded through an annual allocation of FTA 5337 (State of Good Repair) grants.
Virginia Railway Express
Operations Board

Resolution
8A-07-2017

Authorization to Issue an Invitation for Bids for the
Repair and Overhaul of Passenger Car HVAC Assemblies

WHEREAS, Passenger cars are equipped with HVAC assemblies to maintain passenger comfort; and,

WHEREAS, the HVAC assemblies in installed on the first 71 Gallery IV cars have R-22 refrigerant; and,

WHEREAS, the Environmental Protection Agency (EPA) has labeled R-22 refrigerant as a Class II Ozone Depleting Substance; and,

WHEREAS, the EPA has implemented phase-down regulations which will eliminate new production and imports of R-22 refrigerant by the year 2020; and,

WHEREAS, the repair and overhaul HVAC assemblies in FY 2018 aligns with the lifecycle maintenance plan established for passenger cars;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue an Invitation for Bids for the Repair and Overhaul of Passenger Car HVAC assemblies.

Approved this 21st day of July 2017

____________________________
Paul Smedberg
Chairman

____________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Authorization to Issue an Invitation for Bids for the Repair and Overhaul of Passenger Car Wheelchair Lift Systems

--------------------

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue an Invitation for Bids (IFB) for Repair and Overhaul of Passenger Car Wheelchair Lift Systems for a period of a base year and 4 option years.

Background:

Each VRE Gallery IV passenger car is equipped with two Wheelchair Lift systems; one lift is located on each side of the car within the vestibule step arrangement. Each lift is designed to provide access for people confined to a wheelchair or people who have difficulty climbing steps.

The wheelchair lift carriage assembly has moving parts, friction guides, gears, switches, high pressure hydraulic lines, hydraulic rams and various other parts that deteriorate with age. The wheelchair lift pump boxes and control panels also contains switches, hydraulic pumps and hoses, that also deteriorate with age. A failure of any of these components can render the lift inoperable and possibly cause delays to the equipped train or additional trains later in the schedule.

The oldest of the Gallery IV cars, at ten years, are the cab cars, which are also equipped with the most frequently used wheelchair lifts. The lifts on these cars experience the most frequent failures due to the aging components and require repair and overhaul to ensure optimal operation.
Invitation for Bids is the preferred and normal method of procurement suitable when seeking bids to provide goods and services at a firm-fixed price. This method is utilized when there is a complete, adequate, precise specification or purchase description. Award is made based on price alone without discussions or negotiations with the Bidders.

The scope of work for the IFB includes disassembly, inspection repair, overhaul and testing of the wheelchair lift assemblies, pump boxes and control panels. The mechanical contractor will remove and replace the Wheelchair Lift Systems as part of the on-going life cycle maintenance strategy.

Upon receipt of the bids, staff will return to the Board to request authorization to award the contract.

**Fiscal Impact:**

This project is included in the CIP for Equipment Asset Management Program for FY 2018 funded through an annual allocation of FTA 5337 (State of Good Repair) grants.
Virginia Railway Express
Operations Board

Resolution
8B-07-2017

Authorization to Issue an Invitation for Bids for the Repair and
Overhaul of Passenger Car Wheelchair Lift Systems

WHEREAS, passenger cars are equipped with wheelchair lift systems to provide access for
people confined to a wheelchair or people who have difficulty climbing steps; and,

WHEREAS, the oldest wheelchair lift systems in the fleet are nearing ten years of age and
show signs of deteriorating components and experience more frequent failures; and,

WHEREAS, the repair and overhaul the wheelchair lift systems in FY 2018 aligns with the
lifecycle maintenance plan established for passenger cars;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby
authorize the Chief Executive Officer to issue an Invitation for Bids for the Repair and
Overhaul of Wheelchair Lift Systems.

Approved this 21st day of July 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Authorization to Issue a Request for Proposals for VRE Fare Media Sales

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for VRE Fare Media Sales via mail for a period of two base years and three option years.

Background:

VRE must provide a variety of methods for purchasing and paying for tickets; including cash sales and application of commuter benefits. VRE’s ticket vending machines do not provide either option to the public and the VRE Mobile app cannot replace all methods of purchase.

The Convention Store, Inc. operates CommuterDirect, which currently provides a mail order VRE ticket service as well as a call center to service our passengers’ inquiries. VRE’s ticket sales agreement with Convention Store, Inc. will expire in November 2017.

As determined in accordance with VRE Public Procurement Policies and Procedures, an Invitation for Bids (IFB) is neither practicable nor fiscally advantageous to VRE and an RFP is the preferred method of procurement for this solicitation since there are different approaches to the desired service and an evaluation of technical merit is required.

Upon completion of evaluation of proposals, negotiations are conducted with the two highest ranked firms deemed to be fully qualified and best suited among those submitting Proposals, based on the factors specified in the evaluation criteria. Price will be considered in context of technical performance for this service to achieve a best value determination.
After receipt of the best and final offer from the top-ranked firm, a cost analysis is performed to compare the proposed cost with the independent cost estimate to determine the proposed cost is fair and reasonable.

The scope of work for the RFP includes a vendor that can sell physical paper fare media through a mail delivery system. They must be able to process cash, credit, debit transactions as well accept SmartBenefits, the WMATA electronic transit benefit program. The winner must demonstrate excellent customer service skills and be knowledgeable about using the VRE system, especially the ticket sales process from beginning to end.

Upon receipt and evaluation of the proposals, staff will return to the Board for authorization to award the contract.

**Fiscal Impact:**

The cost of sales commissions for the sale of fare media is included in the annual operating budget. Ongoing vendor commission expenses will be included in future annual operating budgets.
Virginia Railway Express
Operations Board

Resolution
8C-07-2017

Authorization to Issue a Request for Proposals for VRE Fare Media Sales

WHEREAS, VRE must provide a variety of methods for purchasing and paying for tickets; including cash sales and application of commuter benefits; and,

WHEREAS, VRE’s ticket vending machines do not provide either option to the public; and,

WHEREAS, the VRE Mobile app cannot replace all methods of purchase; and,

WHEREAS, the current ticket sales agreement with Convention Store, Inc. to sell VRE fare media via mail order will expire in November 2017;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby acknowledge the determination made by the VRE Contract Administrator in accordance with the VRE Public Procurement Policies and Procedures that competitive bidding is not practicable, nor fiscally advantageous to VRE, and that competitive negotiation is the appropriate method to procure these services; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Request for Proposals for VRE Fare Media Sales via mail order for a period of two base years and three option years.

Approved this 21st day of July 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Authorization to Execute a Contract for Rehabilitation of Wheelsets and Traction Motor Assemblies

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a contract with UTCRAS, LLC of Morton, PA for the Rehabilitation of Wheelsets and Traction Motor Assemblies in the amount of $430,334, plus a 10% contingency of $43,033, for a total amount not to exceed $473,367, for a base year and three option years, with the CEO exercising the option years at his discretion.

Background:

During one week, every VRE locomotive and railcar in operation travels approximately 624 miles on the Fredericksburg Line and 370 miles on the Manassas Line. Over the course of operations, wheelsets and traction motors incur normal wear and tear requiring regular maintenance and occasional replacement to support safe and efficient operations.

The scope of work for this Contract includes two major services of rehabilitation: wheelset and traction motor assemblies. Wheelset services will include: replacement, repair, or overhaul of complete wheelsets consisting of axles, wheels, journal bearings, and journal boxes. Traction motor assemblies will include one or a combination of the following services: wheel renewal (new wheels), wheel reprofile (wheel trim), combo disassemble/reassemble, and traction motor repair.

With the current contract expiring on August 10, 2017, the VRE Operations Board approved a request to issue an Invitation for Bids (IFB) for the Rehabilitation of Wheelsets and Traction Motor Assemblies on March 17, 2017. A mailing list of four prospective
Bidders was established for the solicitation to ensure access to adequate sources of services. An IFB was issued on June 2, 2017 and bids were due on July 3, 2017. Three responses were received.

The bid tabulation is as follows:

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. UTCRAS, LLC</td>
<td>$430,334</td>
</tr>
<tr>
<td>2. ORX</td>
<td>$565,843</td>
</tr>
<tr>
<td>3. R+W Machine</td>
<td>$646,908</td>
</tr>
</tbody>
</table>

After review of the bids, it was determined UTCRAS, LLC was the lowest responsive-responsible bidder. The selected bidder is also the incumbent for the current Rehabilitation of Wheelsets and Traction Motor Assemblies Contract.

Staff has certified the price from the successful bidder is fair and reasonable.

**Fiscal Impact:**

The current budget for Equipment Operations includes funding of $200,000 for the first year of this activity. Funding for future years will be included in each proposed annual budget.
Virginia Railway Express
Operations Board

Resolution
9A-07-2017

Authorization to Execute a Contract for Rehabilitation of Wheelsets and Traction Motor Assemblies

WHEREAS, wheelsets and traction motors incur normal wear and tear requiring regular maintenance and occasional replacement to support safe and efficient operations; and,

WHEREAS, VRE issued an IFB for Rehabilitation of Wheelsets and Traction Motor Assemblies on June 2, 2017; and,

WHEREAS, the current contract to provide these services will expire on August 10, 2017; and,

WHEREAS it was determined UTCRAS, LLC was the lowest responsive-responsible bidder;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a contract with UTCRAS, LLC of Morton, PA for the Rehabilitation of Wheelsets and Traction Motor Assemblies in the amount of $430,334, plus a 10% contingency of $43,033, for a total amount not to exceed $473,367, for a base year and three option years, with the CEO exercising the option years at his discretion.

Approved this 21st day of July 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Authorization to Execute a Contract Amendment for Environmental and Engineering Design Services for Midday Train Storage Facility

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute an amendment to the Environmental and Engineering Design Services for Midday Train Storage Facility Contract with Vanasse Hangen Brustlin, Inc. (VHB) of Vienna, Virginia, to add environmental and preliminary engineering and Amtrak design review services in an amount of $378,823, plus a 10% contingency of $37,882, for a total increase of $416,705, resulting in an amended total contract authorization not to exceed $3,588,305.

Background:

VRE is developing a midday storage site for rolling stock north of Washington Union Station (WUS). VRE’s current demand for midday train storage in the District of Columbia exceeds the availability of track space, requiring it to incur the cost of deadheading one trainset every service day to and from the Broad Run Maintenance & Storage Facility. Restrictions on midday train storage in the District also limit VRE’s ability to add cars to existing trains to reduce crowding. The need for longer and more trains is expected to grow as ridership increases in accordance with the VRE System Plan 2040 adopted by the VRE Operations Board in January 2014.

In July 2016, the Operations Board authorized the Chief Executive Officer to execute the Contract for Environmental and Design Services for the Midday Train Storage Facility with VHB in an amount not to exceed $3,171,599. The contract was amended within the original board authorization to incorporate Amtrak field services required for survey work (Contract Amendment #1).
This Contract Amendment (#2) is for environmental and design services required for additional track and storage facilities and Amtrak design review services beyond what was in the original scope of services. The additional services will be for a longer tail track and turntable facility. The cost of the additional work is estimated to be $416,705 including contingency.

**Fiscal Impact:**

Funding is provided in the VRE Capital Improvement Program under Equipment Storage with funds drawn from VRE’s FY 2017 Federal 5307 funds.
Virginia Railway Express
Operations Board

Resolution
9B-07-2017

Authorization to Execute a Contract Amendment for Environmental and Engineering Design Services for Midday Train Storage Facility

WHEREAS, VRE’s demand for midday train storage already exceeds the availability of existing storage space and is expected to worsen; and,

WHEREAS, Amtrak and VRE have identified and determined the feasibility of a potential site adjacent to Amtrak’s Ivy City Complex; and,

WHEREAS, Contract Amendment #2 is for environmental and design services required for additional track and storage facilities and Amtrak design review services to include a longer tail track and a turntable facility;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute an amendment to the Environmental and Engineering Design Services for Midday Train Storage Facility Contract with Vanasse Hangen Brustlin, Inc. of Vienna, Virginia, to add environmental and preliminary engineering and Amtrak design review services in an amount of $378,823, plus a 10% contingency of $37,882, for a total increase of $416,705, resulting in an amended total contract authorization not to exceed $3,588,305.

Approved this 21st day of July 2017

______________________________
Paul Smedberg
Chairman

______________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board
From: Doug Allen
Date: July 21, 2017
Re: Authorization to Execute a Lease for VRE Office Space

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a 15-year lease with one 5-year option for additional office space in an amount not to exceed $3,902,008. The office space is owned by the International Association of Refrigerated Warehouses and is located at 1500 King Street in Alexandria, adjacent to the current VRE offices.

Background:

In January 2015, VRE signed a lease at a building on South Peyton Street, near the VRE offices, to accommodate the expansion of the Office of Development. This was intended to be short-term arrangement until a more permanent solution was found, providing 3,302 square feet of office space and three parking spaces. The lease of an additional 4,148 square feet on the second floor at 1500 King Street will now allow VRE to house all corporate staff in a single office, eliminating the need to renew the lease on South Peyton Street.

Based on comparable office space for lease in and around Alexandria, the lease rate proposed for the 1500 King Street space has been deemed fair and reasonable. By way of comparison, in the final year of the lease for the South Peyton property, VRE is paying $30.86/sq. ft. Assuming a 3% escalator, as is written in the current lease, the rate would increase to $31.79/sq. ft. The proposed lease has a base rent of $32.00/sq. ft. with a 3% escalator. In addition, the proposed lease includes the option for 8 additional parking spaces.

The proposed lease also gives VRE the first right of offer to purchase the space if the landlord chooses to sell.
Fiscal Impact:

Funding is provided for in the FY 2018 operating budget for facilities maintenance. Funding for future years will be included in each proposed annual budget. Costs for renovations will be included in the Revised FY 2018 VRE Operating and Capital Budget.
Authorization to Execute a Lease for VRE Office Space

WHEREAS, in January, 2015 VRE entered a lease agreement for additional office space to accommodate growth; and,

WHEREAS, the lease for that additional space expires December 31, 2017; and,

WHEREAS, office space has become available adjacent to the current VRE offices; and,

WHEREAS, the additional space will allow VRE to house all corporate staff in a single office;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a 15-year lease with one 5-year option with the International Association of Refrigerated Warehouses for additional office space in an amount not to exceed $3,902,008.

Approved this 21st day of July 2017

__________________________________________
Paul Smedberg
Chairman

__________________________________________
Katie Cristol
Secretary
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Draft 2017/2018 Legislative Agenda

Annually, VRE prepares a Legislative Agenda that is approved by the Commissions to communicate VRE priorities and strategies.

The VRE Operations Board is asked to provide comment on this draft 2017/2018 VRE Legislative Agenda. The Operations Board will be asked to act in September recommending a Legislative Agenda to the Commissions.

Federal Legislative Strategy:

Generally, there is a need to keep abreast of the new Administration’s policies, programs and personnel. In addition, we will monitor any new funding and financing infrastructure initiatives, possible regulatory reform, changes to INFRA (formally FastLane) and TIGER, and workforce development. Specific issues to be tracked include:

Issue 1: Positive Train Control (PTC) Implementation

- Continue monitoring PTC legislative and regulatory activity.

Issue 2: Commuter Benefits

- Track possible federal tax reform including changes to commuter benefits.
- Analyze and communicate to our Congressional delegation any impacts of proposed changes to current commuter benefit levels.
Issue 3: 49 CFR Part 270 System Safety Program


State Legislative Strategy:

Our focus in Richmond will continue to be on funding, both for transit throughout the Commonwealth and specifically for VRE. In addition to tracking the specific issues outlined below, we will monitor any legislation that may affect VRE.

Issue 1: Secure Additional VRE Capital and Operating Funding

- As VRE implements the 2040 System Plan, it has developed an accompanying Financial Plan that identifies capital and operating requirements needed to implement the plan.

- A key finding in the Financial Plan is the clear need for increased funding, even without any expansion of service.

- The local jurisdiction members of VRE are financially constrained in their ability to fund existing VRE operations and capital needs and will experience even greater challenges in securing funding for operational and capital costs identified in the System Plan. VRE will explore, identify and secure a long term, dependable funding source for both existing and future operations and capital costs.

Issue 2: Protective Floor for the Regional 2.1% Motor Fuels Tax

- VRE will support its parent commissions on the creation of a “protective floor” for the regional 2.1% motor fuels tax. Without a protective floor, the existing regional 2.1% motor fuels tax generates less revenue than expected due to the drop in fuel prices.

Issue 3: Additional Commonwealth Transit Capital Support

- VRE will support its parent commissions as they advocate for a fix to the reduced Commonwealth funding for Transit Capital.
- Will continue to coordinate with NVTC Executive Director Kate Mattice on issues being discussed by the Transit Service Delivery Committee (TSDAC) and on any legislative initiatives arising from the Revenue Advisory Board’s (RAB) recommendations.
To: Chairman Smedberg and the VRE Operations Board

From: Doug Allen

Date: July 21, 2017

Re: Spending Authority Report

On May 15, 2015, the VRE Operations Board approved increasing the Chief Executive Officer’s spending authority from $50,000 to $100,000. It was resolved any purchase of greater than $50,000 would be communicated to the Board as an information item.

- On, June 8, 2017, VRE issued a Purchase Order in the amount of $52,696 to Alban Tractor Company for repair and overhaul to a Head End Power unit.