To: Chair Cristol and the VRE Operations Board
From: Doug Allen
Date: April 12, 2019
Re: Authorization to Issue a Request for Proposals for New Passenger Railcars through a Joint Procurement with Chicago Metra

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to issue a Request for Proposals (RFP) for new passenger railcars through a joint procurement with the Northeast Illinois Regional Commuter Railroad Corporation dba Chicago Metra.

Summary:

This resolution will authorize VRE to participate with Chicago Metra in a joint procurement for passenger railcars. VRE and Chicago Metra have similar passenger railcar fleets manufactured by the same company. Since VRE and Chicago Metra’s requirements for new passenger railcars are similar, and both organizations have a need for additional seating capacity, issuing a joint RFP reduces administrative effort while providing both organizations with greater purchasing power.

Background:

In April of 2004, the VRE Operations Board authorized the issuance of an RFP for the procurement of 11 bi-level cab cars with an option for an additional 50 bi-level railcars. In October 2004, Sumitomo Corporation of North America was awarded the contract and in
March 2005, the Operations Board exercised the option for the full 50 railcars. All 61 cars were delivered by September 2008.

In March 2008, the VRE Operations Board authorized the issuance of an RFP for the procurement of 10 additional gallery railcars to replace the Kawasaki railcars sold to Maryland (MTA). Sumitomo Corporation of North America was the sole proposer and was awarded the contract in August 2008. The 10 railcars were delivered in February 2010.

In May of 2011, the VRE Operations Board authorized the issuance of an RFP for the procurement of nine additional gallery railcars, with an option for 41 gallery railcars. Sumitomo Corporation of Americas was the sole proposer and was awarded a contract in February of 2012. With this procurement, VRE completed the replacement of ex-Metra gallery railcars (15) and purchased additional railcars to lengthen existing trains (14). A total of 29 railcars were purchased and delivered during the five-year contract term. VRE’s current fleet consists of 100 gallery style passenger railcars.

Consistent with System Plan 2040 Phase I, VRE staff identified projects and potential funding sources to purchase additional railcars to lengthen existing trains. In 2017, VRE was recommended and subsequently awarded funding for two major expansion programs. First, SMART SCALE 2016 provides funding for VRE Fredericksburg line capacity improvement projects including platform extensions, second platforms, parking expansions, additional train storage and 11 passenger railcars or 1,430 additional seats. Second, Transform 66 Outside the Beltway Concessionaire Funding Project provides funding for VRE Manassas line capacity improvement projects including expansion of the Broad Run maintenance and storage facility, Broad Run station parking, platform extension at Manassas Station, construction of the Manassas Park parking garage and 10 passenger railcars or 1,300 additional seats.

On March 20, 2019, Metra advertised an RFP to procure new passenger railcars with a base order of 200 cars and the option of up to 200 additional cars. VRE will work in conjunction with Chicago Metra to include in this RFP a base order of 21 passenger railcars, or the equivalent of 1,730 additional seats, with options for up to 48 additional passenger railcars for VRE. This approach will allow Chicago Metra and VRE to leverage their collective purchasing power.

As determined in accordance with VRE Public Procurement Policies and Procedures, an Invitation for Bids 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 providing the desired equipment or service and an evaluation of technical merit is required.

Upon completion of evaluation of proposals, negotiations are conducted with the 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 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.

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

**Fiscal Impact:**

There is no direct fiscal impact to issuing the RFP. Funding is provided through Smart Scale
and Transform 66 Outside the Beltway Concessionaire Funding Projects for new passenger
railcars.
Virginia Railway Express
Operations Board

Resolution
8B-04-2019

Authorization to Issue a Request for Proposals for New Passenger Railcars through a Joint Procurement with Chicago Metra

WHEREAS, VRE has identified a need to purchase additional passenger railcars to increase seating capacity on both the Fredericksburg and Manassas lines; and,

WHEREAS, the purchase of additional passenger railcars is part of a program of projects to increase capacity and ridership on both the Fredericksburg and Manassas lines; and,

WHEREAS, VRE staff will work with Chicago Metra to incorporate VRE’s requirements within their Request for Proposals for the purchase of additional passenger railcars to increase capacity for both organizations;

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 or equipment; and,

BE IT FURTHER RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to issue a Request for Proposals through a joint procurement with Chicago Metra for new passenger railcars.

Approved this 12th day of April 2019

______________________________
Katie Cristol
Chair

______________________________
John Cook
Secretary