



VIRGINIA RAILWAY EXPRESS
OPERATIONS BOARD

Agenda Item 10-A
Action Item

To: Chair Bohmke and the VRE Operations Board

From: Rich Dalton

Date: June 21, 2024

Re: Authorization to Execute a Sole Source Contract for New Locomotive Fuel Injectors

Recommendation:

The VRE Operations Board is asked to authorize the Chief Executive Officer to execute a Sole Source Contract with Progress Rail Locomotive Inc. of LaGrange, Illinois, for the purchase of New Locomotive Fuel Injectors in the amount of \$778,132, plus a 10 percent contingency of \$77,813, for a total amount not to exceed \$855,945.

Summary:

The Original Equipment Manufacturer of VRE's MP36PH-3C locomotives recommends the replacement of the electronic fuel injector assemblies after every three years of service. This contract will provide material for this recommended maintenance for VRE's fleet of 20 locomotives.

Background:

VRE purchased 20 MP36PH-3C locomotives from MotivePower, Inc. which were delivered in 2010-2011. MotivePower recommends replacing each locomotive's electronic fuel injector assemblies after every three years of service to maintain optimal performance and the engine's Environmental Protection Agency (EPA) Tier II certification. The locomotives are now approximately 12 years old, and it is time to remove and replace the electronic fuel injector assemblies for the fourth cycle.

In June 2008, the EPA finalized a three-part program dramatically reducing emissions from



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Potomac and Rappahannock
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diesel locomotives of all types including passenger rail. VRE's locomotives are subject to the Tier 2 requirements defined by the EPA as part of this program.

In accordance with EPA regulations, VRE must maintain and repair its locomotives as specified in the maintenance instructions provided by the certifying manufacturer. MotivePower identifies the electronic fuel injector assemblies as an emission-critical component.

Electro-Motive Diesel (EMD), which is now owned by Progress Rail Locomotive, is the Original Equipment Manufacturer of the electronic fuel injector assemblies that have been certified for use in VRE's locomotives.

While VRE has previously advertised competitive solicitations, as recently as December 2023, to procure new electronic fuel injector assemblies, no other supplier or contractor has been able to demonstrate the availability of an alternate injector that complies with the EPA Tier 2 exhaust emissions certification for use in VRE's MP36PH-3C locomotives.

Therefore, because the EMD fuel injectors are proprietary to Progress Rail Locomotive, no other supplier or contractor is able to provide the new injectors needed for recommended maintenance of VRE's locomotives.

This non-competitive purchase is in accordance with the following Section of the VRE Public Procurement Policy and Procedures Manual:

6.8.2.1 The item is available only from one responsible source because: (a) It involves a unique or innovative concept or capability not available from another source. Unique or innovative concept means a new, novel, or changed concept, approach, or method that is the product of original thinking, the details of which are kept confidential or are patented or copyrighted and is available to the recipient only from one source and has not in the past been available to the recipient from another source.

A sole source determination has been made in accordance with state and federal requirements, and VRE Procurement Policies, and public notice will be provided.

Fiscal Impact:

Funding is provided through the current FY 2024 and FY 2025 operating budgets for locomotive repairs and maintenance. Funding for future years will be included in each proposed annual budget.

**Virginia Railway Express
Operations Board Resolution**

10A-06-2024

**Authorization to Execute a Sole Source Contract for
New Locomotive Fuel Injectors**

WHEREAS, VRE's fleet of 20 MP36PH-3C Locomotives are due for fuel injector replacement; and,

WHEREAS, in June 2008, the Environmental Protection Agency finalized a three-part program dramatically reducing emissions from diesel locomotives of all types including passenger rail; and,

WHEREAS, Electro-Motive Diesel (EMD), now owned by Progress Rail Locomotive, is the Original Equipment Manufacturer of the electronic fuel injector assemblies certified for use in VRE's locomotives and is the only supplier able to provide new injectors needed for maintenance of VRE's locomotive fleet; and,

WHEREAS, in accordance with state and federal requirements, and VRE Procurement Policies, a determination has been made, and public notice thereof will be provided, that because Progress Rail Locomotive, Inc. is the only supplier/contractor able to provide new electronic fuel injector assemblies certified for use in VRE's MP36PH-3C locomotives, this qualifies as a sole source procurement;

NOW, THEREFORE, BE IT RESOLVED THAT, the VRE Operations Board does hereby authorize the Chief Executive Officer to execute a Sole Source Contract with Progress Rail Locomotive, Inc. for New Locomotive Fuel Injectors, in the amount of \$778,132, plus a 10 percent contingency of \$77,813, for a total amount not to exceed \$855,945.

Approved this 21st day of June 2024



Ralph Smith
Secretary



Meg Bohmke
Chair