

STAFF REPORT

DATE: November 18, 2024
TO: Sacramento Regional Transit Board of Directors
FROM: Blanca Araujo, VP, Operations
SUBJ: APPROVING THE EIGHTH AMENDMENT TO THE CONTRACT FOR LOW FLOOR LIGHT RAIL VEHICLES PROCUREMENT WITH SIEMENS MOBILITY, INC. AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE CONTRACT AMENDMENTS FOR SPECIFIED CONFIGURATION CHANGES

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Approving the Eighth Amendment to the Contract will incorporate a configuration change to include rear view mirrors on vehicles 423-28, currently in production. Delegating authority to the General Manager/CEO to execute additional amendments will provide flexibility to the General Manager/CEO to approve additional configuration changes that are currently being negotiated and also allow the General Manager/CEO to procure one additional light rail vehicle if that is determined to be in SacRT's best interest to avoid the contractual Production Restart Fee.

FISCAL IMPACT

The Eighth Amendment will increase the Contract Total Consideration with Siemens Mobility, Inc. (Siemens) by \$324,459.60, plus applicable state and local taxes to incorporate rear view mirrors on vehicles 423-428. The other proposed configuration changes, if implemented, will have a combined cost of \$770,962.85 to implement on the first 45 vehicles, plus applicable state and local taxes. This amendment and the items that may be purchased under the delegated authority are fully funded with State and Federal funds.

DISCUSSION

SacRT and the San Diego Metropolitan Transit System (SDMTS) released a joint Request for Proposals (RFP) for Low-Floor Light Rail Vehicle (LRV) Procurement on December 14, 2018. On February 21, 2019, SDMTS received one proposal from Siemens. The RFP provided for a base order of 25 LRVs for SDMTS with an option for

SDMTS to acquire an additional 22 LRVs, and a SacRT option to procure up to 76 LRVs during the 7-year contract term.

On March 23, 2020, the Board approved the award of the Contract for 20 LRVs with Siemens for \$99,974,483.00, plus applicable California state and local sales and transaction taxes. Through seven prior amendments, SacRT has exercised options to purchase additional LRVs, increasing the quantity of vehicles on order to 45 and making several configuration changes as detailed in prior Staff Reports. The most recent amendment, the Seventh Amendment, added a dimming functionality for a cost \$79,743.95 plus applicable sales tax, bringing the Contract Total Consideration to \$219,989,899 plus applicable California state and local sales and transaction taxes, and any differential amount required to be paid when the escalation formula is applied at the midpoint of delivery of the option orders.

As part of the joint RFP, SacRT included several Technical Specifications that were specific to SacRT's vehicles; these included a requirement to provide exterior side view cameras and display screens in place of side view mirrors. After delivery and testing of the vehicles, SacRT has determined that it would be preferable to have rear view mirrors in addition to the cameras and display screens.

The Eighth Amendment would add rear view mirrors to six LRVs currently in production (423-428) for a cost of \$324,459.00. If this amendment is not executed in the near future, it will be too late to incorporate the change as part of production and these vehicles would require later retrofit with the same solution currently being developed for the already-assembled vehicles 400-422.

There are several other configuration changes currently being negotiated with Siemens with regard to terms and conditions (payment schedule, scope changes, performance timeline). To expedite execution of an amendment or amendments related to these changes (which could, depending on timing, be incorporated into the Eighth Amendment), Staff is requesting a delegation of authority to the General Manager/CEO to approve the amendments upon conclusion of negotiations. The changes are the following:

1. Cab Door Latch and Handle: Procurement of a new style Cab Door latch and handle assemblies. The current handle is oriented at 12 o'clock and extends 5.8" from center. This presents a snag hazard for operator clothing. The new handle will be oriented at 6 o'clock with a reduced length. Siemens will design, document and supply the new handles and SacRT will perform the installation on all vehicles, including those currently in production or to be produced in the future. The total cost for this change for 45 vehicles (engineering and materials) would be \$112,424.60 plus applicable sales tax. The cost to implement for any future vehicle order after 445 would be \$751 per vehicle, plus tax and cost escalation.

2. Ramp Deployment Speaker: Relocation of a speaker for the ramp deployment audio alert. The current location is above the door on the interior of the train. It alerts passengers on the inside but cannot be heard on the exterior of the train. The speaker will be relocated by lowering it into the door pocket. This will allow the

audio alert to be heard inside as well as outside when the ramp is being deployed. The total cost for this change, including engineering, material, and installation on both already-delivered vehicles and vehicles in production, would be \$142,187.29 plus applicable sales tax. The cost to implement for any future vehicle order after 445 would be \$285 per vehicle, plus tax and cost escalation.

3. Rear View Mirrors for LRVs 429 to 445: These vehicles are not currently in production, which makes it easier, less-costly and more timely to add the rear view mirrors. The total cost for this change, including engineering, material and installation, would be \$418,059.10.

4. Warning Gong/Buzzer: Under the Technical Specifications, Siemens was required to provide an electronic buzzer (referred to by SacRT as a “gong”) each end of the vehicle that is intended for use during street running, through platforms, yards and other noise sensitive areas as an alternative to the louder warning horn. In the vehicles that have been produced and delivered to date, if the gong/buzzer is activated through the hazard button rather than a hand switch or foot pedal, the sound is produced only in the first LRV in the consist and not all LRVs. Siemens has provided a quote to modify the configuration for a cost of \$98,291.86 plus applicable sales tax, along with a cost of \$430 per vehicles for LRV . The cost to implement for any future vehicle order after 445 would be \$285 per vehicle, plus tax and cost escalation. SacRT has asserted that the base Technical Specifications require the sound to be produced in all vehicles, regardless of the method of activation. This issue is not yet resolved; if the parties ultimately agree that SacRT’s request constitutes a change to the Technical Specifications, an amendment would be needed to incorporate the changed work and cost.

The total cost for all of these changes, if implemented and included in an amendment to the Contract, would be \$770,962.85

RESOLUTION NO. 2024-11-121

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

November 18, 2024

APPROVING THE EIGHTH AMENDMENT TO THE CONTRACT FOR LOW FLOOR LIGHT RAIL VEHICLES PROCUREMENT WITH SIEMENS MOBILITY, INC. AND DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO EXECUTE CONTRACT AMENDMENTS FOR SPECIFIED CONFIGURATION CHANGES.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Eighth Amendment to the Contract for Low-Floor Light Rail Vehicle Procurement by and between Sacramento Regional Transit District (therein "SacRT") and Siemens Mobility, Inc. (therein "Contractor") whereby Contractor agrees to add rear view mirrors to LRVs 423-428, currently in production, for the cost of \$324,459.60 plus applicable state and local sales tax and the Total Consideration is increased to a minimum of \$220,314,358.60 plus applicable California state and local sales and transaction taxes, and any differential amount required to be paid when the escalation formula is applied at the midpoint of delivery of the option orders, is hereby approved.

THAT, the General Manager/CEO is hereby authorized and directed to execute the Eighth Amendment.

THAT, authority is hereby delegated to the General Manager/CEO to negotiate and execute amendments to the Contract to add the following configuration changes for an aggregate cost of no more than \$770,962.85: (a) cab door latch and handle for LRVs 400-445; (b) relocation of the ramp deployment speaker; (c) rear view mirrors for LRVs 429-445; and (d) re-configuration of the warning gong/buzzer to activate in all LRVs in a consist when the hazard button is pressed, which configuration changes may also be accomplished through the Eighth Amendment if time permits after conclusion of negotiations.

PATRICK KENNEDY, Chair

A T T E S T:
HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary