

AMENDMENT OF WHOLE IN COMMITTEE
9/3/14

FILE NO. 140882

RESOLUTION NO.

1 [Contract - Siemens Industry, Inc. - Procurement of New Light Rail Vehicles - Not to Exceed
2 \$1,192,651,577]

3 **Resolution approving a contract with Siemens Industry, Inc., to procure up to 260 light**
4 **rail vehicles, associated services, spare parts, special tools, training and**
5 **documentation, in an amount not to exceed \$1,192,651,577 for a term not to exceed 15**
6 **years, to commence following Board approval; and making environmental findings.**
7

8 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) currently
9 operates a fleet of 151 light rail vehicles (LRVs), which are scheduled for retirement starting in
10 2021; and

11 WHEREAS, The start of revenue service for the Central Subway Extension will require
12 an additional 24 light rail vehicles to be delivered by 2018; and

13 WHEREAS, Ridership projections and planned service expansions indicate a need for
14 an additional 85 light rail vehicles over the next ten years, including 40 light rail vehicles
15 needed between 2018 and 2021; and

16 WHEREAS, In September 2013, the SFMTA issued an RFP for the procurement of up
17 to 260 LRVs, with a scope of work that includes the design, manufacture, delivery and test of
18 LRVs, together with associated services, spare parts, special tools, training and
19 documentation; and

20 WHEREAS, In February 2014, the SFMTA received proposals from two car builders;
21 after reviewing the proposals, the selection panel determined Siemens Industry, Inc. to be the
22 highest-ranked proposer; and

23 WHEREAS, The SFMTA has negotiated a final agreement with Siemens Industry, Inc.,
24 to procure up to 260 LRVs, associated services, spare parts, special tools, training and
25

1 documentation, for an amount not to exceed \$1,192,651,577, and a term not to exceed 15
2 years; and

3 WHEREAS, The base portion of the contract for 175 LRVs will be funded with federal,
4 state and local funds; and

5 WHEREAS, The Department of City Planning has determined that the replacement and
6 expansion vehicle portions of the procurement are statutorily exempt under Section
7 21080(b)(11) of the California Resources Code and Section 15275(a) of the implementing
8 CEQA Guidelines because those portions of the procurement involve an increase of service
9 on rail lines already in use; said determination is on file with the Clerk of the Board of
10 Supervisors in File No. 140882 and is incorporated herein by reference; and

11 WHEREAS, The vehicles for the Central Subway Project were reviewed as part of the
12 Central Subway Final Supplemental EIS/EIR, certified by the Planning Commission on August
13 7, 2008, and on August 19, 2008, the SFMTA Board of Directors, in Resolution No. 08-150,
14 adopted the findings and conclusions with respect to Central Subway Final Supplemental
15 EIS/EIR; based upon its review of the Final Supplemental EIS/EIR, the SFMTA Board of
16 Directors found that no additional environmental review is required under Public Resources
17 Code section 21166 for the subject procurement; and

18 WHEREAS, On July 15, 2014, the SFMTA Board of Directors adopted Resolution No.
19 14-12, which authorized the Director of Transportation to execute Contract No. SFMTA 2013-
20 19 with Siemens Industry, Inc., to procure up to 260 LRVs, associated services, spare parts,
21 special tools, training and documentation, for an amount not to exceed \$1,192,651,577, and a
22 term not to exceed 15 years; and

23 WHEREAS, A copy of the said contract is on file with the Clerk of the Board of
24 Supervisors in File No. 140882, which is hereby declared to be part of this motion as if set
25 forth fully herein; now, therefore, be it

1 RESOLVED, That the Board of Supervisors authorizes the SFMTA to enter into a
2 contract with Siemens Industry, Inc., to procure up to 260 LRVs, associated services, spare
3 parts, special tools, training and documentation, in an amount not to exceed \$1,192,651,577,
4 and for a term not to exceed 15 years subject to the following conditions: (1) that the contract
5 provide for two separate options, Option 1 for 40 LRVs and Option 2 for 45 LRVs; (2) that the
6 SFMTA obtain approval from this Board prior to exercising Option 2, contingent on
7 identification of \$234,664,852 in funding to pay for the Option; and (3) that the SFMTA obtain
8 approval from this Board for any vendor-financing agreement with Siemens Industry, Inc.; and
9 be it

10 FURTHER RESOLVED, That within 30 days of the contract being fully executed by all
11 parties, the SFMTA shall provide the final contract to the Clerk of the Board for inclusion into
12 the official file.