

1 [Agreement - Alstom Transportation, Inc. - Vendor Managed Inventory Services - Not to  
2 Exceed \$39,158,000]

3 **Resolution authorizing the Director of Transportation of the Municipal Transportation**  
4 **Agency to execute the Agreement with Alstom Transportation, Inc. for vendor managed**  
5 **inventory services to provide rail parts and supplies for an initial term of two years with**  
6 **an option to extend the term for up to three additional one-year terms at the Director of**  
7 **Transportation's sole discretion for a total contract amount not to exceed \$39,158,000**  
8 **for the period of August 1, 2013, through July 31, 2015.**

9  
10 WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) provides  
11 public transit rail services to its customers using modern light rail vehicles (LRVs), vintage  
12 domestic and foreign streetcars, and the SFMTA's historic cable cars; and

13 WHEREAS, The maintenance and repair of these vehicles require the continuous  
14 procurement and inventory of parts from a variety of vendors; and

15 WHEREAS, Certain parts are difficult to procure due to obsolescence, foreign  
16 distribution, long delivery lead times, and the reluctance of certain smaller vendors to bid due  
17 to City and County of San Francisco contracting requirements; and

18 WHEREAS, The difficulties in procuring parts delay the repair and maintenance of rail  
19 vehicles, which results in an overall reduction of transit vehicles in service and negatively  
20 impacts the SFMTA's ability to provide rail transit services to its customers at full capacity;  
21 and

22 WHEREAS, In an effort to remedy the difficulties in procuring parts, the SFMTA issued  
23 a competitive request for proposals (RFP) for a vendor to provide vendor managed inventory  
24 (VMI) services; and

1           WHEREAS, The SFMTA selected Alstom Transportation, Inc. as the most qualified  
2 vendor to provide these services; and

3           WHEREAS, On July 13, 2013, the SFMTA Board of Directors adopted Resolution  
4 13-186 , to authorize the SFMTA Director of Transportation to execute an Agreement with  
5 Alstom Transportation for VMI services to provide rail parts and supplies for an initial term of  
6 two years with an option to extend the term for up to three additional years at the Director of  
7 Transportation's sole discretion for a total contract amount not to exceed \$39,158,000; and

8           WHEREAS, Pursuant to Charter section 9.118, the Board of Supervisors must approve  
9 this Agreement since it is an expenditure contract in excess of \$10 million dollars; and

10           WHEREAS, A copy of the Agreement is on file with the Clerk of the Board of  
11 Supervisors in File No. 130743, which is hereby declared to be a part of this resolution as if  
12 set forth fully herein; now, therefore, be it

13           RESOLVED, That the San Francisco Board of Supervisors authorizes the Director of  
14 Transportation of the SFMTA to execute the Agreement with Alstom Transportation, Inc. for  
15 vendor managed inventory services to provide rail parts and supplies for an initial term of two  
16 years with an option to extend the term for up to three additional one-year terms at the  
17 Director of Transportation's sole discretion for a total contract amount not to exceed  
18 \$39,158,000 for the period of August 1, 2013, through July 31, 2015; and be it

19           FURTHER RESOLVED, That within thirty days of the contract being fully executed by  
20 all parties, the Director of the SFMTA shall provide the final contract to the Clerk of the Board  
21 for inclusion into the official file (File No. 130743).