AMENDMENT OF WHOLE IN COMMITTEE 9/3/14

FILE NO. 140882

RESOLUTION NO. 332-14

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

140882

Date Passed: September 09, 2014

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

September 03, 2014 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

September 03, 2014 Budget and Finance Committee - RECOMMENDED AS AMENDED

September 09, 2014 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 140882

I hereby certify that the foregoing Resolution was ADOPTED on 9/9/2014 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Date Approved