

**THIS PRINT COVERS CALENDAR ITEM NO.: 11**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Authorizing the Director of Transportation to execute Contract No. SFMTA 2018-37, Vendor Managed Inventory services with Alstom Transportation Inc., to manage and supply parts for its rail fleet maintenance program, for an amount not to exceed \$62,456,000, and for a term of three years with two, two-year options to extend the contract, to be exercised at the sole discretion of the Director of Transportation.

**SUMMARY:**

- The SFMTA manages a comprehensive, integrated transit system with an aging rail fleet that currently includes 149 Breda light rail vehicles (LRVs), 39 historic streetcars, and 31 cable cars.
- On July 13, 2013, the SFMTA Board approved a pilot Vendor Managed Inventory (VMI) services contract with Alstom Transportation Inc. (Alstom), to provide the SFMTA parts on a cost-effective and efficient basis, by providing inventory planning and automated replenishment of spare parts, with strict performance guidelines requiring defined response times and fill rates.
- The program was effective in streamlining parts acquisition, improving purchasing planning, and providing a mechanism for reverse engineering and alternate sourcing of difficult-to-obtain parts.
- The SFMTA Board approved the issuance of an RFP in January 2018 to continue the program, and in April 2018, the SFMTA received proposals from Alstom and Siemens Industry, Inc. Alstom was the highest-ranked proposer.
- Planned funding for this contract will come from the Operating Budget for the SFMTA’s Rail Maintenance Section in the Transit Division.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Agreement

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_

SECRETARY \_\_\_\_\_

**ASSIGNED SFMTAB CALENDAR DATE:** September 18, 2018