

Transportation Committee

For the Metropolitan Council meeting of May 23, 2018

Subject: Southwest LRT Project: Assignment Agreement with Houston METRORail and Siemens Industry, Inc. for 14 LRV Contract Options

Proposed Action

Authorize the Regional Administrator to negotiate and execute an assignment agreement with Houston METRORail and Siemens Industry, Inc. (Siemens) to assign 14 LRV contract options to Houston METRO Rail.

Summary of Committee Discussion/Questions

Metro Transit Transit Systems Development Senior Project Manager Anne Taylor presented this item. Commers asked if all the specifications are articulated at this point. Taylor answered that the specifications have been established and it has been determined that Houston's design is closely compatible with our specifications. Munt asked for clarification that this is not a retreat on the Southwest Light Rail. Taylor said Munt is correct, this is very much business as usual.

Motion by Commers, seconded by Munt. Motion carried, **consent to Council.**

Transportation Committee

Meeting date: May 14, 2018

For the Metropolitan Council meeting of May 23, 2018

Subject: Southwest LRT Project: Assignment Agreement with Houston METRORail and Siemens Industry, Inc. for 14 LRV Contract Options

District(s), Member(s): All

Policy/Legal Reference: Metropolitan Council Procedure 3-3

Staff Prepared/Presented: Brian Lamb, General Manager, 612-349-7510

Mark W. Fuhrmann, Deputy General Manager, 612-373-3810

Anne Taylor, Senior Project Manager, 612-373-5386

Division/Department: Metro Transit

Proposed Action

Authorize the Regional Administrator to negotiate and execute an assignment agreement with Houston METRORail and Siemens Industry, Inc. (Siemens) to assign 14 LRV contract options to Houston METRORail.

Background

On December 22, 2016, the Council entered into a contract with Siemens for the fabrication and delivery of 27 low floor light rail vehicles and related materials and services with an option to purchase up to 50 additional low floor light rail vehicles. Council set the number of options at 50 before the BLRT Project completed project development and determined its project scope and need for 28 LRVs.

Houston METRORail has recently requested the opportunity to exercise 14 of the 50 available options. Staff have determined that the current contract provides sufficient options to account for the 28 LRVs planned for the Blue Line Extension LRT Project. If Council assigns 14 options to Houston METRO, there will be 8 remaining options available to the Council to address future unknowns that may occur between now and the 2023 when the availability of options expires.

Rationale

FTA guidance allows for the assignment of contract options to third parties. The contract between the Council and Siemens also allows for Council to assign options to third parties.

Thrive Lens Analysis

Construction of the Green Line Extension will increase the region's prosperity as it will provide access to 80,900 forecasted jobs and a new transportation option for 55,000 forecasted residents within ½ mile of the planned new stations in addition to the 145,300 forecasted jobs and 35,600 forecasted residents in downtown Minneapolis.

Funding

The assignment agreement will add no additional cost to the contract.

Known Support / Opposition

There is no known opposition.

SOUTHWEST

Green Line LRT Extension



Transportation Committee #2018-122

May 14, 2018



Proposed Council Action

- Authorize the Regional Administrator to negotiate and execute an assignment agreement with Houston METRORail and Siemens Industry, Inc. to assign 14 LRV contract options to Houston METRO Rail.

Background – LRV Option Availability

- 2015: Council requested proposals for the SWLRT base order of 27 vehicles and 50 additional options.
- 2016: BLRT Project completed Project Development and determined that Project needs 28 of the 50 options.
- Balance of options available for future unknowns is 22
- 2018: Houston METRORail requests 14 options
- Balance of options available for future unknowns is 8

Background – Compatible “S70” Designs

Metro Transit S70



Houston METRORail S70



Background – Previous Assignment Agreements

Council's recent experience with rolling stock options:

- 2012 – Council assigned 2 options on Bombardier contract for bi-level passenger coaches to San Joaquin Regional Rail Authority in California.
- 2012 – Council exercised options for 2-40' hybrid buses on a contract between New Flyer and Snohomish County Public Transit in Washington.
- 2017 – Council assigned 30 options on Gillig contract to Broward County Transit in Florida.

Recommendation

- Approve proposed action to authorize the Regional Administrator to negotiate and execute an assignment agreement with Houston METRORail and Siemens Industry, Inc. to assign 14 LRV contract options to Houston METRO Rail.

More Information

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