

Type 1 LRV Rust Mitigation Program Overview



LRV Maintenance OVH & Special Projects

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Metropolitan Council Meeting on 12/08/21

Outline

- Recommendation
- Why Necessary
- Considerations & Strategies
- Summary



Recommendation

That the Metropolitan Council authorizes the Regional Administrator to negotiate and execute contract 20P035 with RailCar Corporation for rust mitigation/fleet improvement services on the Bombardier, Type 1, Light Rail Vehicles (LRV's) in an amount not to exceed \$7,704,246.

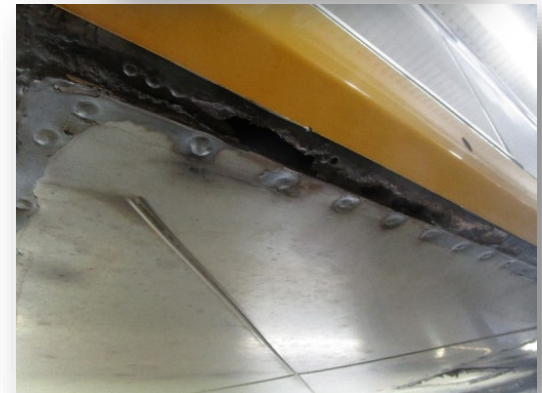
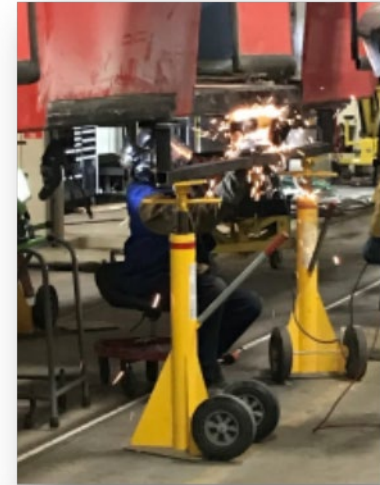
Why Necessary

- Objective: Fleet life of 40 years
 - 10 years longer than FTAMinimum of 30 years
- Fleet replacement ~\$150M for Type 1 fleet, and \$330M for Type 2 fleet (in today's \$, not yet in CIP)
- Valuable, costly regional assets
 - Adding 10 years to lifespan will save over \$100M in asset replacement cost



Why Necessary (continued)

- Significant corrosion
- More for Type 1 LRVs due to late start, SWLRT construction work at O&MF, and pandemic impacts
- Delay equals more damage, more cost, compromised life-span
- 75 LRVs need immediate corrosion mitigation
 - 16 Type 1 Bombardier LRVs
 - 59 Type 2 Siemens LRVs
- Staffing and space are not sufficient to support Type 1 catch-up



What happens if we don't execute this contract?

- Delays on Type 1 and Type 2 rust mitigation
- Delay equals more damage, more cost, compromised life-span



Contracting 16 Type 1

FLEET	FLEET AGE - START	CY - START	CY -END
Type 1s	19	2022	2024
Type 2s	10	2022	2029
Type 2.5s	12	2029	2030
Type 3s	9	2030	2033

No contracting

FLEET	FLEET AGE - START	CY - START	CY -END
Type 1s	19	2022	2027
Type 2s	15	2027	2036
Type 2.5s	19	2036	2037
Type 3s	16	2037	2041

Will this contract take work away from current and future employees?

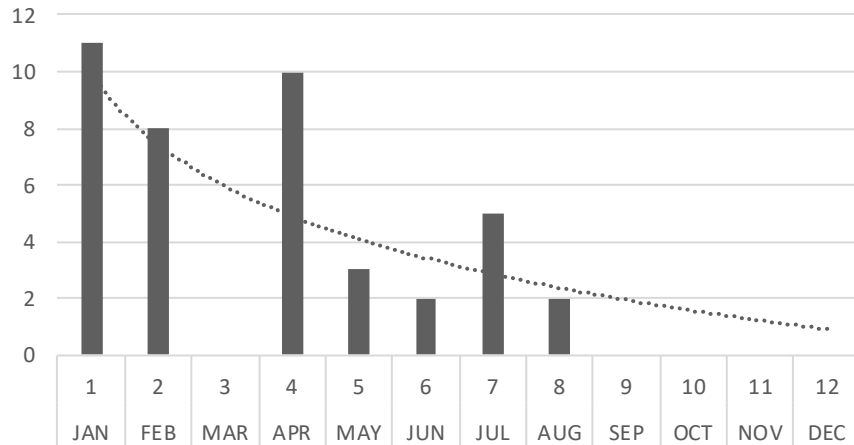
- No current jobs will be replaced
- No future jobs related to expansion plans will be negatively impacted
- The work ahead of us still requires us to add paint and body tech jobs

Why not add staff to do this work?

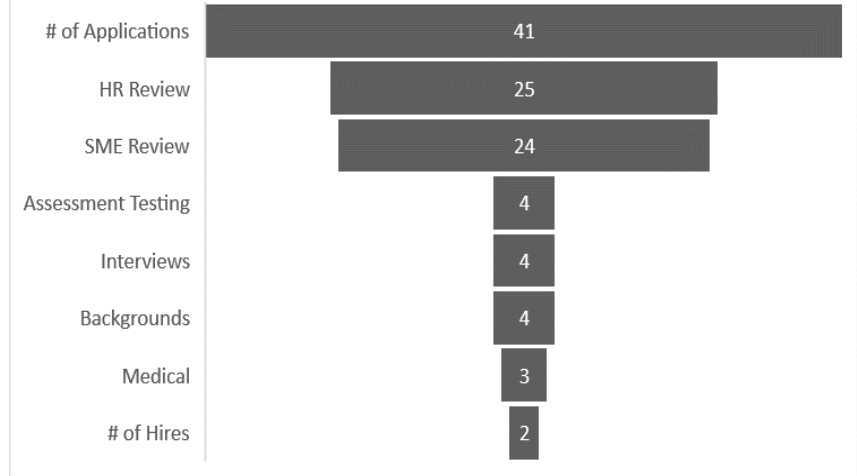
- Our goal is to add staff
- But we are not able to hire fast enough to catch-up with Type 1 work
- Well-documented challenging job market
- LRV Maintenance has 21 technician vacancies
- New positions are filled through internal bidding leaving vacancies elsewhere
- New transfers into the Paint and Body shop require 1-2 years of on-the-job training to become fully proficient

Hiring Challenges

Technician Applications By Month- 2021



Successful Candidates by Step



Do we have adequate space to do remaining Type 1 work?

- Space too limited to complete catch-up work in-house
- Type 2 Overhaul program
- Accident repair
- Vandalism
- Other emergent tasks



Why not do this work in Minnesota?

- FTA Funding does not allow for geographical preference
- RFP advertised
- No in-state bids (Siemens, Globe Connect, Rail Car Co.)
- One bid submitted (Rail Car Co.)
- Includes on-site Metro Transit supervision

Summary

- Contracting for 16 of 91 LRVs is a catch-up strategy
- Objective - LRVs in service 40 years
- Minimize delay to avoid increased damage, cost, risk
- Space and staff capacity insufficient to catch up without contract
- Total cost to replace Type 1 and Type 2 LRVs is approx. \$480M

Recommendation

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QUESTIONS

