

BOARD MEETING DATE: September 4, 2015

AGENDA NO. 8

PROPOSAL: Execute Contract for Tier 4 Passenger Locomotives

SYNOPSIS: At its February 1, 2013, and February 7, 2014 meetings, the Board approved awards to the Southern California Regional Rail Authority (SCRRA) in the amount of \$52 million for the replacement of 20 passenger locomotives with new Tier 4 locomotives over a four-year period. Under the “Year 16” Carl Moyer Program Announcement, SCRRA submitted a new proposal requesting \$58.85 million for the replacement of an additional 17 and the purchase of 3 new Tier 4 passenger locomotives. Staff has completed the evaluation of the project and confirmed its eligibility with CARB staff. This action is to execute a contract with SCRRA in an amount not to exceed \$22.85 million from the Carl Moyer Program AB 923 Fund (80). The remaining \$36 million requested by SCRRA will be considered over four phases in future Board requests.

COMMITTEE: Special Technology, August 14, 2015; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chairman to execute a contract with SCRRA to cofund the replacement of 10 and, subject to CARB approval, the purchase of 1 new Tier 4 passenger locomotives, contingent upon a total of 17 locomotive replacements and 3 new purchases for the entire project, in an amount not to exceed \$22.85 million (inclusive of up to \$7 million from accrued interest) from the Carl Moyer Program AB 923 Fund (80). The remaining \$36 million of the requested funds will be considered over four phases in future Board requests.

Barry R. Wallerstein, D.Env.
Executive Officer

MMM:FM

Background

At its February 1, 2013, and February 7, 2014 meetings, the Board approved awards to the Southern California Regional Rail Authority (SCRRA) in the amount of \$52 million for the replacement of 20 passenger locomotives with Tier 4 locomotives over a four-year period. Since the execution of the contract, staff has held quarterly meetings with SCRRA and has closely monitored the progress of the project. To date, all the milestones of the project have been met and the first two locomotives are scheduled for delivery in December of this year.

The “Year 16” Carl Moyer Program Announcement was released on March 7, 2014, and SCRRA submitted a new proposal requesting \$58.85 million for the replacement of an additional 17 and the purchase of 3 new Tier 4 passenger locomotives.

Outreach

In accordance with SCAQMD’s Procurement Policy and Procedure, a public notice advertising the PA and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County’s Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing SCAQMD’s own electronic listing of certified minority vendors. Notice of the PA has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD’s website (<http://www.aqmd.gov>).

Proposal

This action is to execute a contract with SCRRA to cofund the replacement of 10 and, subject to CARB approval, the purchase of 1 new Tier 4 passenger locomotives, contingent upon a total of 17 locomotive replacements and 3 new purchases for the entire project, in an amount not to exceed \$22.85 million from the Carl Moyer Program AB 923 Fund (80). Up to \$7 million of these funds will be from AB 923 accrued interest funds. The remaining \$36 million of the requested funds will be considered over four phases in future Board requests. Staff will ask for Board approval each time to amend the existing contract for the addition of the funds.

The total project cost of \$129 million will be cost-shared by Caltrans and Metrolink member agencies with 31.9% and 22.5%, respectively. In compliance with the Carl Moyer Program requirements, the SCAQMD funds will be used only to fund 11 locomotives because they cannot be comingled with Caltrans funds. However, SCAQMD’s participation will be contingent upon implementation of all 20 locomotives.

The SCRRA application was evaluated according to CARB’s Carl Moyer Program Guidelines, and the requested funding amount is within the cost-effectiveness limit of the Program. In addition, based on the location of the rail tracks, 53% of the locomotive operations will be in disproportionately impacted areas as defined under SCAQMD’s Carl Moyer Program criteria.

Benefits to SCAQMD

The replacement of older diesel locomotives with new Tier 4 locomotives will help the South Coast Air Basin meet federal air quality standards. The procurement of Tier 4 locomotives has been identified in the recent U.S. EPA-approved 2007 8-hour Ozone SIP for the South Coast Air Basin. In addition, SCRRA locomotives travel throughout the South Coast Air Basin. As such, the cleaner Tier 4 locomotives will result in reduced exposure to diesel particulate emissions. Specifically, emissions reductions from NOx, PM and ROG from each locomotive will be around 12.3 tons/year, 0.33 ton/year, and 1.0 ton/year, respectively.

Resource Impacts

Funding for SCRRA’s locomotive project shall not exceed \$22.85 million from the Carl Moyer Program AB 923 Fund (80), of which up to \$7 million will be from accrued AB 923 interest funds. The remaining \$36 million of the SCRRA-requested funding will be recommended for consideration over four phases in future Board requests.

Table 1: Summary of Metrolink Project for 20 Tier 4 Locomotives

Replacement or Expansion	No. of Locomotives	Current Tier to Tier 4	Caltrans Cofunding	Members Cofunding	SCAQMD Cofunding	Total
Replacement	10	0	0	\$12.1M	\$58.85M	\$70.95M
Expansion	1	–				
Replacement	7	2	\$41.18M	\$16.87M	0	\$58.05M
Expansion	2	–				
Total	20		\$41.18M	\$28.97M	\$58.85M	\$129M
% Share			31.9%	22.5%	45.6%	