



EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: DocuSigned by: <i>Michael Jones</i> 47000790F2D7463...		GENERAL MANAGER ACTION REQ'D: Authorize use of \$2.050M in Operating Funds to Procure Train Control Parts		
DATE: 12/5/2022 3/17/2023		BOARD INITIATED ITEM: No		
Originator/Prepared by: David Murphy Dept: Maintenance and Engineering DocuSigned by: <i>David Murphy</i> 965FCFB85375476... Signature/Date: 3/15/2023	General Counsel DocuSigned by: <i>Jana Belan</i> F8FD7B3A73E74E8... 3/15/2023 []	Controller/Treasurer DocuSigned by: <i>Todd Morgan</i> 701F6C4C0ABE4A8... 3/16/2023 []	District Secretary []	BARC DocuSigned by: <i>Shane Edwards</i> 8128A2EB2F014F3... 3/16/2023 []

Train Control Vital Interlocking Processor Spare Parts

PURPOSE:

To seek Board authorization to negotiate and enter into a single source procurement, pursuant to Public Contract Code Section 20227, with Alstom Signaling Operations, LLC for the purchase of remaining end-of-life Vital Processor Interlocking (VPI) train control parts in an amount not to exceed \$2,050,000. Two-thirds vote required.

DISCUSSION:

On September 8, 2022 Alstom informed Train Control Engineering that it will be moving their VPI train control parts from retired status to discontinued status and that, at some point within the next 6 to 12 months, it would no longer take any new orders for these parts. VPI parts are critical to the District's train control system as they are present in approximately 80 percent of its train control sites and serve to control train movements through interlockings and into stations. Other railroad properties around the world that rely on Alstom's VPI parts are now in a similar predicament and they too will be pursuing the limited number of VPI parts available for sale.

Without these parts, the ability of the Train Control Maintenance and Train Control Engineering departments to maintain the District's train control system in its current configuration could be significantly impacted. The total estimated cost to purchase the currently identified 158 VPI parts to support Train Control Maintenance's efforts to maintain the existing train control system until it is replaced by a communications-based train control system is \$2,050,000.

Public Contract Code Section 20227 authorizes the District to make a single source purchase of equipment upon a finding that the proposed supplier is the single source of supply for the duplication or replacement of equipment in use throughout the District. In addition, Federal Transit Administration (FTA) Circular 4220.1F, states that a recipient of FTA funding can make a sole source award under certain circumstances, including "Unique or Innovative Concepts" or where "Patents, Copyrights, or Restricted Data Rights" would preclude competitive award to the recipient. Here, Alstom is the manufacturer and only supplier of the VPI parts proposed for purchase for the duplication and replacement of VPI parts that are in use throughout the District. Because such equipment is proprietary to Alstom, "Restricted Data Rights" would preclude competitive award to a firm other than Alstom. Thus, Alstom is the single source of supply/sole source supplier under Section 20227 and the FTA Circular.

The District's Non-Discrimination Program for Subcontracting is not applicable to Invitations for Bid. Accordingly, the Office of Civil Rights did not set Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) Availability Percentages for this Contract.

The Office of the General Counsel will approve as to form any agreement with Alstom.

FISCAL IMPACT:

Funding in the not to exceed amount of \$2,050,000 for the award of Base Contract number to be determined to Alstom Signaling Corporation, LLC is included in the budget for project 20LL008 Train Control Vital Interlocking (VPI) Spare Parts.

The table below lists funding assigned to the referenced Project and is included to track funding history against spending authority. Funds needed to meet this request will be expended from the following source:

	Proposed Funding	
Source	Description	Amount
BARTOAC	Operating to Capital Allocation – F/C 8537	\$2,050,000
	TOTAL	\$2,050,000

As of March 13, 2023, \$2,050,000.00 is the total budget for this project. BART has expended \$0.00 committed \$0.00 and reserved \$0.00 to date. This action will commit \$2,050,000, leaving an available fund balance of \$0.00 in these fund sources for this Project.

The Office of Controller/Treasurer certifies that funds are currently available to meet this obligation.

ALTERNATIVES:

Do not authorize the General Manager to negotiate and enter into an agreement with Alstom for VPI train control parts. This would lead to an increased risk of non-correctable train control system failures.

RECOMMENDATION:

Adopt the following motion.

MOTION:

Pursuant to Public Contract Code Section 20227, the Board finds that Alstom Signaling Operations, LLC is the single source of supply for the purchase of end-of-life Vital Processor Interlocking (VPI) train control parts in use throughout the District.

As such, the Board of Directors authorizes the General Manager to negotiate and execute a single source agreement with Alstom in an amount not to exceed \$2,050,000 for the purchase of the aforementioned parts.

Two-thirds vote required.