

## **ORDINANCE No. 18 88 70**

\*Authorize an agreement with Sound Transit and a purchase agreement with Brookville Equipment Corporation for the purchase of streetcar vehicles using a sole source procurement in an amount not to exceed \$10,000,000 (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland (City) is the owner and operator of Portland Streetcar, a modern streetcar transit service, which opened in 2001.
2. The City, in partnership with TriMet and Portland Streetcar, Inc., has identified a need to acquire five additional streetcars to support a growing ridership and continued frequent service.
3. Portland Streetcar continues to pursue the purchase of three used vehicles from another city, seeking the most cost-effective means of increasing the fleet.
4. The purpose of this Ordinance is to approve placing an order for two new Streetcar vehicles in early 2018 with Sound Transit, allowing the City to obtain the lowest price under the contract terms with Brookville.
5. The first half of 2017 saw the highest ridership on Portland Streetcar, with average weekday ridership exceeding 16,000 riders in some months. This ridership was higher than some Max light-rail lines and all but one bus line.
6. Public support for increasing the Streetcar fleet has been received from neighborhood and business associations, as well as the Portland Commission on Disability and TriMet's Committee on Accessible Transportation (CAT).
7. There are a limited number of suppliers of modern streetcars that produce vehicles in accordance with the specifications of the Portland system.
8. Sound Transit operates a modern streetcar system in Tacoma, WA, which shares all significant aspects of system design with Portland, including vehicle length and width, propulsion, and mobility ramp design.
9. Portland Streetcar and Tacoma Link have a well-established history of cooperation and mutual support to maintain public transit service and keep inventory costs down.

10. Sound Transit issued a request for proposals (RFP) in 2017 for additional modern streetcars and included five (5) additional cars for Portland as an option on the RFP.
11. The Sound Transit RFP was written and issued compliant with the Federal Transit Administration guidance pertaining to procurement practices and Buy America provisions.
12. On July 12, 2017, by Ordinance No. 188511, the City authorized an Intergovernmental Agreement with Sound Transit for the cooperative procurement of modern streetcars.
13. The IGA authorized the two systems to cooperate in procuring additional streetcars.
14. The RFP process administered by Sound Transit was open and competitive and resulted in the most qualified, responsive manufacturer being selected, Brookville.
15. As a result of the RFP process, on December 1, 2017, Sound Transit entered into a contract with Brookville Equipment Corporation (Brookville) for the procurement of new Liberty streetcar vehicles. Included in the contract were the aforementioned option vehicles for the City.
16. Sound Transit has provided an Assignment, Assumption and Release Agreement to the City and Brookville for the options, with the provision that the City and Brookville negotiate and enter into a contract that is substantially similar to the terms and conditions of the Sound Transit contract with Brookville.
17. Typically, a procurement like this would occur under City Code 5.33.170 Interstate Cooperative Procurements; however, the cooperative procurement language was not included in the original contract and therefore does not meet the requirements for an Interstate Cooperative Procurement.
18. The City finds that partnering with Sound Transit for procurement of vehicles, spare parts and engineering, reduces costs for all agencies through economies of scale, and that it is in the public interest and will benefit the City to pursue this cost-effective procurement.
19. This sole source contract is being acquired pursuant to PCC 5.33.120 (Sole-Source Procurements), as Brookville Equipment Corporation is the selected, responsive vendor, which can provide the vehicles and spare parts necessary for Streetcar operations.

20. The total cost of the two new vehicles, field support, warranty, spare parts, performance bond and shipping is expected to be less than \$10,000,000. Delivery of the two vehicles is anticipated in 2020.
21. Funding for the purchase of these two new vehicles will be provided by the Bureau of Transportation's annual Streetcar budget, Transportation System Development fees, and the support from three business districts – the Northwest Parking Meter District, the Central Eastside Parking Permit Program, and the Lloyd Meter Revenue Allocations Committee.
22. The Bureau of Transportation has funds available for construction, inspection and management of the project, and will work with the City Debt Manager to determine the most cost-effective means to accomplish this purchase, and will make the necessary budget adjustments through the Spring 2018 budget adjustment.
23. The Bureau's level of confidence in the cost estimate for this project is high as the base price for the two vehicles, common contract specifications, and shipping costs are known through the Sound Transit contract with Brookville.

NOW, THEREFORE, the Council directs:

- a. The Chief Procurement Officer is authorized to execute the Assignment, Assumption and Release Agreement with Sound Transit and Brookville, substantially similar to the attached Exhibit A, provided the agreement has been approved as to form by the City Attorney's office.
- b. For the reasons stated in section 1 of this ordinance, the Chief Procurement Officer is authorized to negotiate and execute a sole source contract substantially similar to the existing contract between Brookville and Sound Transit, attached as Exhibit B.
- c. The bureau is directed to make the necessary budget adjustments in the Spring of 2018.
- d. The Auditor to draw and deliver warrants chargeable to the Transportation Operating Fund when demand is presented and approved by the proper authority.

Section 2. The Council declares that an emergency exists because the best purchase price will be obtained with a combined order from Sound Transit and Portland to Brookville; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

188870

Passed by the Council, MAR 21 2018

Commissioner Dan Saltzman  
Prepared by: Kathryn Levine; SP  
Date Prepared: February 20, 2018

**MARY HULL CABALLERO**  
Auditor of the City of Portland  
By

 Deputy

Agenda No.  
**Ordinance NO. 188870**  
Title

\*Authorize an agreement with Sound Transit and a purchase agreement with Brookville Equipment Corporation for the purchase of streetcar vehicles using a sole source procurement and provide for payment in an amount not to exceed \$10,000,000 (Ordinance)

<p><b>INTRODUCED BY</b> Commissioner/Auditor: <b>Commissioner Dan Saltzman</b></p> <hr/> <p align="center"><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance &amp; Administration – Wheeler</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman <i>JS</i></p> <p>Position 4/Safety - Eudaly</p> <hr/> <p align="center"><b>BUREAU APPROVAL</b></p> <p>Bureau: PBOT Group Manager: Christine Leon Asst. Director: Chris Warner</p> <p>Prepared by: Kathryn Levine; <i>KL</i> Supervisor: Christine Leon <i>SY for KL</i> Date Prepared: February 20, 2018</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p><b>City Auditor Office Approval:</b> required for Code Ordinances</p> <p><b>City Attorney Approval:</b> required for contract, code, easement, franchise, charter, Comp Plan [LK1] <i>KAW</i></p> <p>Council Meeting Date <b>March 21, 2018</b></p>	<p>CLERK USE: DATE FILED <u>MAR 13 2018</u></p>  <p align="center">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p> <p><b>ACTION TAKEN:</b></p>
--	--

<p align="center"><b>AGENDA</b></p> <hr/> <p><b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)</p> <hr/> <p><b>CONSENT</b> <input type="checkbox"/></p> <hr/> <p><b>REGULAR</b> <input checked="" type="checkbox"/> Total amount of time needed: <b>15 minutes</b> (for presentation, testimony and discussion)</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th align="center" rowspan="2">FOUR-FIFTHS AGENDA</th> <th align="center" colspan="2">COMMISSIONERS VOTED AS FOLLOWS:</th> </tr> <tr> <th align="center">YEAS</th> <th align="center">NAYS</th> </tr> <tr> <td>1. Fritz</td> <td align="center">1. Fritz <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>2. Fish</td> <td align="center">2. Fish <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>3. Saltzman</td> <td align="center">3. Saltzman <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>4. Eudaly</td> <td align="center">4. Eudaly <input checked="" type="checkbox"/></td> <td></td> </tr> <tr> <td>Wheeler</td> <td align="center">Wheeler <input checked="" type="checkbox"/></td> <td></td> </tr> </table>	FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		YEAS	NAYS	1. Fritz	1. Fritz <input checked="" type="checkbox"/>		2. Fish	2. Fish <input checked="" type="checkbox"/>		3. Saltzman	3. Saltzman <input checked="" type="checkbox"/>		4. Eudaly	4. Eudaly <input checked="" type="checkbox"/>		Wheeler	Wheeler <input checked="" type="checkbox"/>	
FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:																				
	YEAS	NAYS																			
1. Fritz	1. Fritz <input checked="" type="checkbox"/>																				
2. Fish	2. Fish <input checked="" type="checkbox"/>																				
3. Saltzman	3. Saltzman <input checked="" type="checkbox"/>																				
4. Eudaly	4. Eudaly <input checked="" type="checkbox"/>																				
Wheeler	Wheeler <input checked="" type="checkbox"/>																				