

## ORDINANCE No. 185869

\*Amend contract with Portland Streetcar, Inc. to provide additional professional services for project management and vehicle engineering services for production of a domestically manufactured streetcar (Ordinance; amend Contract No. 37119)

The City of Portland ordains:

Section 1. The Council finds:

1. The production of a domestically-produced streetcar (Prototype Streetcar), as well as costs associated with project management, vehicle engineering services and City and other agency staff services, is funded by a federal National Research Program grant (Grant) through an Intergovernmental Grant with TriMet (IGA) for the disbursement of the federal funds. The original grant amount was \$4.0 million and subsequently was increased to \$6.880 million with no local match required of the City.
2. On November 22, 2006, the City Council passed Ordinance No. 180621 authorizing Contract No. 37119 (City/PSI Agreement) with Portland Streetcar, Inc. (PSI), which assigned to PSI the responsibility for oversight and subcontracting with Shiels Oblatz Johnsen (SOJ) for project management and with LTK Engineering (LTK) for vehicle engineering services for the Prototype Streetcar Project. SOJ and LTK were selected by the City after a federally-approved competitive selection process.
3. On February 28, 2007, Council passed Ordinance 180788 authorizing Contract No. 37218 with Oregon Iron Works (OIW) for the manufacture of the Prototype Streetcar.
4. It has been necessary to amend, from time to time, the City/PSI Agreement due to the timing of the receipt of grant funds and changes to the technical specifications related to the removal and replacement of the electrical/propulsion system initially installed in the Prototype Streetcar with a system to be domestically manufactured by Rockwell Automation of Milwaukee, WI (RA), requiring additional project management and vehicle engineering services.
5. On September 22, 2012, the Eastside Loop Project opened for revenue service significantly increasing streetcar service in the Central City.
6. Delays in the delivery of the streetcar vehicles for the Loop Project being manufactured by OIW under separate contract with the City (Contract No. 30000696) created urgency in completing the Prototype Streetcar to increase the Portland Streetcar fleet size from ten (10) to eleven (11) vehicles, the minimum number needed for the expanded service.
7. During final testing and burn-in operations the Prototype Streetcar was conditionally certified for revenue service, but several non-safety related conditions remained to be monitored and addressed, most significantly, the performance of software, the low-voltage power supply system and the probable under sizing of the drives, which OIW and RA are contractually required to correct.

8. OIW and RA have proposed that further work on the Prototype Streetcar should be completed in two phases: Phase 1 when corrections to software and the low-voltage power supply system will be carried out by OIW and RA personnel at the Portland Streetcar Maintenance Facility complex during hours when the Prototype Streetcar is not in regular revenue service; and Phase 2 after delivery of one or more of the Loop Streetcar vehicles, expected in March 2013, when the Prototype Streetcar can be removed from service and moved to the OIW factory for a period of time enabling OIW and RA to complete the more complex task of installing higher capacity drives, as well as a list of minor and cosmetic repairs not necessarily associated with the electrical/propulsion system.
9. Continuing oversight, project management and vehicle engineering services will be needed during Phase 1 as changes are made to the Prototype Streetcar and during Phase 2 to oversee the changes and the program for conducting tests needed for safety certification of the Prototype Streetcar after those changes are completed prior to returning it to revenue service, expected by October 2013.
10. The City and PSI have agreed upon a Scope of Services that recognizes that the specific details for the work to be performed by OIW and RA during Phase 2 should be better defined during Phase I. Compensation for project management and vehicle engineering services during Phase I will add \$50,000 to the maximum compensation with up to \$95,000 available for Phase 2.

NOW, THEREFORE, the Council directs:

- a. The Mayor and the City Auditor are hereby authorized to enter into an amendment to Contract No. 37119, substantially in accordance with the Amendment attached to the original of this Ordinance, and, by reference, made a part hereof.
- b. The City Project Manager is hereby authorized to approve the specific scope of services for Phase 2 work and to agree to Phase 2 compensation, as long as it does not exceed \$95,000 authorized by Council.
- c. The Mayor and Auditor are hereby authorized to draw and deliver checks payable to Portland Streetcar, Inc. chargeable to the Grants Fund, Fund 217001, Business Area TR00.

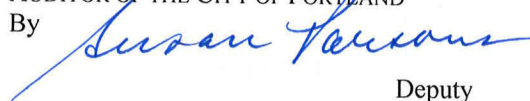
Section 2. The Council directs that an emergency exists because uninterrupted services are needed as OIW completes its contractual obligations; therefore, this Ordinance shall be in full force and effect from and after its passage by the Council.

Passed by the Council, JAN 23 2013

Mayor Charlie Hales  
Prepared by: Vicky Diede:slg  
Date Prepared: January 7, 2013

**LaVonne Griffin-Valade**  
AUDITOR OF THE CITY OF PORTLAND

By



Deputy

008281

Agenda No. **ORDINANCE NO. 185869**  
Title

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<b>INTRODUCED BY</b> Commissioner/Auditor: <i>Mayor Charlie Hales</i>	CLERK USE: DATE FILED <u>JAN 17 2013</u>
<b>COMMISSIONER APPROVAL</b> Mayor—Finance and Administration - Hales <i>[Signature]</i>	LaVonne Griffin-Valade Auditor of the City of Portland
Position 1/Utilities - Fritz	By: <u><i>[Signature]</i></u> Deputy
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Novick	
<b>BUREAU APPROVAL</b> Bureau: Bureau of Transportation Group Manager: Greg Jones Development & Capital Program Other: <i>[Signature]</i> Prepared by: Vicky Diede:slg Date Prepared: January 7, 2013 <i>[Signature]</i>	<b>ACTION TAKEN:</b>
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date <b>JANUARY 23, 2013</b>	
<b>City Attorney Approval:</b> <i>[Signature]</i> required for contract, code, easement, franchise, comp plan, charter	

<b>AGENDA</b>
<b>TIME CERTAIN</b> <input type="checkbox"/> Start time: _____  Total amount of time needed: _____ (for presentation, testimony and discussion)
<b>CONSENT</b> <input type="checkbox"/>
<b>REGULAR</b> <input checked="" type="checkbox"/> <i>10 MIN.</i> Total amount of time needed: <b>5 MIN</b> (for presentation, testimony and discussion)

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. Novick	4. Novick <input checked="" type="checkbox"/>	
Hales	Hales <input checked="" type="checkbox"/>	