

**POTOMAC AND RAPPAHANNOCK  
TRANSPORTATION COMMISSION**

**RESOLUTION**

**MOTION:** \_\_\_\_\_

**RESOLUTION NO. 08-02-\_\_\_\_\_  
OFFICIAL COMMISSION MEETING  
FEBRUARY 14, 2008**

**SECOND:** \_\_\_\_\_

**RE: AUTHORIZATION TO AWARD A CONTRACT FOR THE  
MANUFACTURE OF NEW LOCOMOTIVES**

**WHEREAS**, on April 20, 2007, the Board authorized the issuance of a Request for Proposals (RFP) for the acquisition of new locomotives; and,

**WHEREAS**, that RFP was issued on August 20, 2007; and,

**WHEREAS**, multiple manufacturers attended a mandatory pre-bid meeting on September 13, 2007; and,

**WHEREAS**, proposals were received on November 30, 2007; and,

**WHEREAS**, a selection committee evaluated the proposals and conducted interviews with all candidates.

**WHEREAS**, the VRE Operations Board recommends the following action.

**NOW, THEREFORE, BE IT RESOLVED** that the Potomac and Rappahannock Transportation Commission does hereby authorize the VRE Chief Executive Officer to award a contract to Motive Power, Inc. of Boise, Idaho for the manufacture of two new locomotives in an amount not greater than \$8,758,542, plus a contingency of \$875,854, for a total amount not to exceed \$9,634,396.

**AGENDA ITEM 9-D**  
**ACTION ITEM**

**TO: CHAIRMAN JENKINS AND THE VRE OPERATIONS BOARD**

**FROM: DALE ZEHNER**

**DATE: JANUARY 18, 2008**

**RE: AUTHORIZATION TO AWARD A CONTRACT FOR THE  
MANUFACTURE OF NEW LOCOMOTIVES**

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**RECOMMENDATION:**

The VRE Operations Board is being asked to recommend that the Commissions authorize the Chief Executive Officer to award a contract to Motive Power, Inc. of Boise, Idaho for the manufacture of two new locomotives in an amount not greater than \$8,758,542, plus a contingency of \$875,854, for a total amount not to exceed \$9,634,396.

**BACKGROUND:**

VRE's locomotive fleet is aging and must be replaced to allow for satisfactory on-time performance. As such, on April 20, 2007, the Operations Board authorized the issuance of a Request for Proposals (RFP) for the acquisition of up to twenty new locomotives. The RFP was published on August 20, 2007, followed by a mandatory pre-bid meeting on September 13, 2007. Proposals were due on November 30, 2007 and two proposals were received.

A selection committee evaluated the proposals, conducted interviews with all candidates and is recommending that the contract be awarded to Motive Power, Inc.

The RFP was structured to allow for a base order of two locomotives, with options to purchase up to a total of twenty locomotives over a five year period at a fixed, but indexed price. Based on the proposal and available funding, VRE is currently in a position to exercise the base order of two locomotives.

While an additional \$9 million in state funding is available for this project, there are no matching funds. Once additional match is obtained, through HB 3202 or another source, VRE staff will return to the Board to exercise additional options. Because the price of the first two locomotives includes one-time costs, subsequent orders will be less expensive than the first two. However, these option orders will include an agreed upon indexed increase as the contract period gets older. The total proposal cost was submitted at \$86,647,000.

**FISCAL IMPACT:**

Funding for these two locomotives is being provided using an FY 2007 state earmark, which is being matched using the proceeds from the sale of the Mafersa cars, and a FY 2007 federal grant, which is being matched using state and local funds.