

Meeting of the Valley Metro Rail Board of Directors



VALLEY METRO RAIL BOARD OF DIRECTORS

Date:
October 17, 2024

Starting Time:
11:15 a.m.

Location:
Valley Metro
Boardroom/YouTube
101 N. 1st Avenue, 10th Floor

**If you require assistance accessing the meetings on the
10th floor, call 602.262.7433.**

Agenda



October 11, 2024

**Valley Metro Rail
Board of Directors**
Thursday, October 17, 2024
Boardroom/YouTube
Valley Metro, 101 N. 1st Avenue, 10th Floor
11:15 a.m.

1. Public Comment

1. For information

The public will be provided with an opportunity at this time to address the committees on **non-agenda items and all action agenda items**. Up to three minutes will be provided per speaker unless the Chair allows more at their discretion. A total of 15 minutes for all speakers will be provided.

CONSENT AGENDA

2A. Minutes

2A. For action

Minutes from the September 19, 2024, Board meeting are presented for approval.

2B. Corrosion Control Services Contract Award

2B. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to enter a contract with National Corrosion to provide corrosion control testing services beginning on or about October 17, 2024, for a five-year term, in an amount of \$210,000, plus a \$20,000 contingency, for a total amount not to exceed \$230,000.

2C. Light Rail Vehicle Electrical Repairs Contract
Change Order Request

2C. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a change order with Integrated Power Services (Delta Electric) and Sherwood Electromotion against the Light Rail Vehicle (LRV) Electrical Repairs contract in an amount of \$300,000 for an aggregate contract amount not to exceed \$750,000.

2D. Purchase of Three Ford F-250's – Facility
Maintenance Pressure Washer Initiative

2D. For action

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute an upon-completion contract with Peoria Ford in an amount not to exceed \$190,763.

REGULAR AGENDA

3. Executive Session

3. For action

The Valley Metro Rail Board of Directors may vote to enter into Executive session according to A.R.S. 38-431.03 Section (A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body; (A)(4) discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's positions regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation; and (A)(9) - discussions or consultations with designated representatives of the public body in order to discuss procedures and safety of rail operations with regard to collision mitigation.

4. Report on Current Events and Suggested Future
Agenda Items

4. For information

Chair Heredia will provide members the opportunity to report on current events and suggest future agenda items for consideration.

5. Next Meeting

5. For information

The next Board meeting is scheduled for **Thursday,
November 21, 2024 at 11:15 a.m.**

Qualified sign language interpreters are available with 72 hours notice. Materials in alternative formats (large print or flash drive) are available upon request. For further information, please call Valley Metro at 602-262-7433 or TTY at 602-251-2039. To attend this meeting via teleconference, contact the receptionist at 602-262-7433 for the dial-in-information. The supporting information for this agenda can be found on our web site at www.valleymetro.org

Executive Summary



DATE

October 11, 2024

AGENDA ITEM 1

SUBJECT

Public Comment

PURPOSE

The public will be provided with an opportunity at this time to address the committee on **non-agenda items and all action agenda items**. Up to three minutes will be provided per speaker unless the Chair allows more at his/her discretion. A total of 15 minutes for all speakers will be provided.

RECOMMENDATION

This item is presented for information only.

BACKGROUND | DISCUSSION | CONSIDERATION

None

COST AND BUDGET

None

COMMITTEE PROCESS

None

CONTACT

Jessica Mefford-Miller

Chief Executive Officer

jmeffordmiller@valleymetro.org

ATTACHMENT

None

Meeting Minutes



October 11, 2024

AGENDA ITEM 2A

Valley Metro Rail Board of Directors
Thursday, September 19, 2024
Lake Powell Conference Room/Webex
101 N. 1st Avenue, 10th Floor
11:15 a.m.

VMR Meeting Participants

Vice Mayor Francisco Heredia, City of Mesa – **Chair** (phone)
Jesus Sapien for Councilmember Laura Pastor, City of Phoenix – **Vice Chair**
Vice Mayor O.D. Harris, City of Chandler
Councilmember Jennifer Adams, City of Tempe

The chair called the meeting to order at 12:21 p.m.

1. **Consent Agenda**

Chair Heredia said first item is the Consent Agenda is presented for action. Any questions or comments on the Consent Agenda? All right. Hearing none. I request a motion and a second to approve the Consent Agenda.

Motion by Jesus Sapien, second by Vice Mayor Harris.

All in favor, say aye. Motion carries.

IT WAS MOVED BY JESUS SAPIEN SECONDED BY VICE MAYOR HARRIS, AND UNANIMOUSLY CARRIED TO APPROVE CONSENT AGENDA ITEMS 1A THROUGH 1D.

2. **Kinkisharyo Light Rail Vehicle Elin Propulsion System Obsolescence Contract Award**

Chair Heredia said Item number 2 Kinkisharyo Light Rail Vehicle Propulsion System Contract Award. Jessica.

Ms. Mefford-Miller said thank you, Mr. Chair. We do have an item before you for a not to exceed amount of \$7,142,880. This item is for a single-source procurement with Kinki -- with Siemens. This issue at hand is that we do have a propulsion system on the original light rail vehicles. This is our Kinkisharyo fleet, and the propulsion system will become obsolete. Normally we could replace that or repair it. The cost for replacing it, and we did conduct an analysis. Staff spent several months working on this, and we found that the cost for actually replacing the units would be about \$16 million whereas the cost for actually repairing and replacing parts would be a little over \$7 million.



We need to take this action now because this particular system is obsolete and Siemens actually has a supply of parts that we would need. Those parts will not be manufactured again. It's a limited series only. South Transit in Seattle and Valley Metro actually have these particular Kinkisharyo cars with this propulsion system, so it's financially advantageous for us to purchase those parts now. And then make those repairs and upgrade over time.

I hope that answers any questions the board may have. I'm happy to answer additional questions. Rob Rosenberg, our Deputy Chief of Rail System Maintenance is here.

Chair Heredia said I do have a question, Jessica. Is it the older vehicles that have this propulsion system? And the newer vehicles that we've purchased have the newer systems?

Ms. Mefford-Miller said Rob, do you want to address the difference in propulsion systems in the Kinkisharyo and Siemens.

Mr. Rosenberg said sure. I'd be happy to (inaudible). Thank you, Mr. Chair. The newer light rail vehicles we're buying have a different propulsion system that's not affected by this obsolescence, so this purchase really is to maintain the original fleet of Kinkisharyo LRVs.

Chair Heredia said and how many of those?

Mr. Rosenberg said those are 49.

Chair Heredia said 49 and how many total with these and the newer vehicles?

Mr. Rosenberg said with these and the newer vehicles we're still procuring, we will have a total of 74.

Chair Heredia said so more than half have this propulsion system?

Mr. Rosenberg said yes, two thirds, roughly.

Chair Heredia said any other questions, comments? Hearing none. I request a motion and a second to authorize the CEO to execute a three-year Valley Metro contract with Siemens Mobility for Elan propulsion systems in an amount not to exceed over \$7 million for the period of October 1st, 2024, to September 30th, 2027. Can I have a motion?

Motion by Councilmember Adams, second by Vice Mayor Harris. All in favor, say aye. Motion carries. Thank you.

IT WAS MOVED BY COUNCILMEMBER ADAMS SECONDED BY VICE MAYOR HARRIS, AND UNANIMOUSLY CARRIED TO AUTHORIZE THE CEO TO EXECUTE A THREE-YEAR VALLEY METRO RAIL, INC. CONTRACT WITH SIEMENS MOBILITY, INC., FOR ELIN



PROPULSION SYSTEMS, IN AN AMOUNT NOT TO EXCEED OVER \$7,142,880, FOR THE PERIOD OF OCTOBER 1, 2024, TO SEPTEMBER 30, 2025.

3. Report on Current Events and Suggested Future Agenda Items

Chair Heredia said Item number 3. Any reports on current events or future agenda items?
Hearing none.

4. Next Meeting

The next meeting of the Board is scheduled for Thursday, October 17, 2024, at 11:15 a.m.

Without further discussion, the meeting was adjourned at 12:26 p.m.



Executive Summary

DATE

October 11, 2024

AGENDA ITEM 2B**SUBJECT**

Corrosion Control Services Contract Award

COST AND BUDGET

For the Fiscal Year 2025, the VMR contract obligation is \$40,000, which is fully funded within the VMR Adopted FY25 Operating and Capital Budget. Contract Obligations beyond FY25 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program FY2026-FY2030. The source of funding is operating member city funds.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the Chief Executive Officer to enter a contract with National Corrosion to provide corrosion control testing services beginning on or about October 17, 2024, for a five-year term, in an amount of \$210,000, plus a \$20,000 contingency, for a total amount not to exceed \$230,000.

STRATEGIC PLAN ALIGNMENT

This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 1: Advance performance-based operation
 - Tactic A: Operate an effective, reliable, high-performing transit system

COMMITTEE PROCESS

RTAG: September 17, 2024, for information

RMC: October 2, 2024, approved

Board of Directors: October 17, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

dcurry@valleymetro.org

ATTACHMENT

Contract available upon request.

Background Information

BACKGROUND DISCUSSION

Corrosion control services are utilized for annual corrosion control testing, analysis, stray current monitoring, and cathodic protection testing of the light rail transit system. Contractor shall perform stray current measurement and evaluation of in-service corrosion control associated with VMR's direct current-powered light rail transit system. Tasks included in the scope of work are:

- Rail-to-earth resistance measurements for the mainline and yard. tracks.
- Rail-to-earth potential recording at key locations.
- Utility structure-to-earth potential measurements at randomly selected locations, principally the City of Phoenix, City of Tempe, and City of Mesa ductile iron water pipelines and Southwest Gas Co. and El Paso Gas Co. (if applicable) included in Valley Metro Rail's construction.
- Adhere to ASTM Standard G 165 – 99 Standard Practice for Determining Rail-to-Earth Resistance when testing.

This item has been reviewed and approved by the Maintenance Division.

PROCUREMENT INFORMATION

An Invitation for Bid was processed in accordance with the Agency's Joint Procurement Manual. Two vendors submitted bids deemed responsive and responsible from:

- National Corrosion
- Corrpro Companies, Inc.

A price evaluation was conducted on the two bids:

	National Corrosion	Corrpro
Total	\$207,639.19	\$239,500.00
Year 1	\$39,899.99	\$49,200.00
Year 2	\$40,697.99	\$45,350.00
Year 3	\$41,511.96	\$46,900.00
Year 4	\$42,340.21	\$48,250.00
Year 5	\$43,189.04	\$49,800.00

After conducting a price evaluation, staff recommends award to National Corrosion.

CONTRACT TYPE AND TERM

The contract is a firm fixed-price contract. The contract will begin on or about October 17, 2024, for a five-year term with no options to extend.



Executive Summary

DATE

October 11, 2024

AGENDA ITEM 2C**SUBJECT**

Light Rail Vehicle Electrical Repairs Contract Change Order Request

COST AND BUDGET

For the Fiscal Year 2025, The VMR contract obligation is \$140,000, which is fully funded within the VMR Adopted FY25 Operating and Capital Budget. Contract Obligations beyond FY25 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program FY2026-FY2030. The source of funding is member cities.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute a change order with Integrated Power Services (Delta Electric) and Sherwood Electromotion against the Light Rail Vehicle (LRV) Electrical Repairs contract in an amount of \$300,000 for an aggregate contract amount not to exceed \$750,000.

STRATEGIC PLAN ALIGNMENT

This item relates to the following goals and strategies in the Five-Year Strategic Plan,

- Goal 1: Advance performance-based operation
 - Tactic A: Operate an effective, reliable, high-performing transit system

COMMITTEE PROCESS

RTAG: September 17, 2024, for information

RMC: October 2, 2024, approved

Board of Directors: October 17, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

dcurry@valleymetro.org

ATTACHMENT

Contract available upon request.

Background Information

BACKGROUND DISCUSSION

In June of 2022 we brought the two contracts to the board for award and explained that the traction motors are failing due to inadequate grease from the manufacture and the Phoenix temperatures.

Valley Metro sought out third party vendors with the specialized tooling and knowledge capable of performing the necessary repairs to the stator assemblies without the need to replace them. Using Delta Electric and Sherwood to perform these repairs has resulted in repairs costing approximately \$18,000 per motor, this is less than one-third the value of a new motor. They are also capable of performing the repairs within the 90-day time frame stipulated in the contract. This has resulted in a significant improvement in fleet availability. In addition, we also found that these two vendors have the knowledge, tooling and experience to work on other electrical components on LRV's which include auxiliary power supply transformers and line filter chokes.

The number of defective traction motors has exceeded our initial estimates, but we have identified the root cause and expect the failure rate to decrease. The additional motor failures, along with these contractors repairing additional electrical components, has driven the need to increase the value of this contract.

PROCUREMENT INFORMATION

In accordance with the Agency's Joint Procurement Manual, change orders to contracts in an amount that exceeds Board approved contract authority shall be submitted to the Board for approval.

CONTRACT TYPE AND TERM

The contracts are Indefinite Delivery, Indefinite Quantity (IDIQ) requirements type contracts. The contracts have a base term of three years with one option year for an additional two-year extension. The base terms have an expiration date of August 10, 2025. The change orders stemming from Board approval will become effective on or about November 1, 2024



Executive Summary

DATE

October 11, 2024

AGENDA ITEM 2D**SUBJECT**

Purchase of Three Ford F-250's – Facility Maintenance Pressure Washer Initiative

COST AND BUDGET

The cost for the three Ford F-250's is in an amount not to exceed \$190,763 and includes both the warranty and taxes. The cost for the vehicles is included in the Valley Metro Rail Proposed FY2025 Operating and Capital Budget. Contract obligations beyond FY2025 are incorporated into the Valley Metro Rail Five-Year Operating Forecast and Capital Program (FY2026 thru FY2030). The source of funding is member cities. The costs for these vehicles were included in our cost benefit analysis that was presented to the Board during the budget approval process.

RECOMMENDATION

Staff recommends that the Board of Directors authorize the Chief Executive Officer to execute an upon-completion contract with Peoria Ford in an amount not to exceed \$190,763.

STRATEGIC PLAN ALIGNMENT

This item relates to the following goals and strategies in the Five-Year Strategic Plan:

- Goal 1: Operational Excellence
 - Tactic A: Operate an effective, reliable, high-performing transit system

COMMITTEE PROCESS

RTAG: September 17, 2024, for information

RMC: October 2, 2024, approved

Board of Directors: October 17, 2024, for action

CONTACT

Darren Curry

Chief Maintenance Officer

dcurry@valleymetro.org

ATTACHMENT

None

Background Information

BACKGROUND DISCUSSION

In May of 2024, the Valley Metro Rail Board approved the purchase of three Ford F-250's to support the Facility Maintenance Pressure Washer initiative to better clean and maintain the current alignment. The purchase of three Ford F-250 trucks will support the operational needs of our new staff assigned to the Platform Pressure Washer team. These trucks are essential for facilitating efficient transportation of equipment and personnel to various job sites.

PROCUREMENT INFORMATION

Peoria Ford is a vendor on the State of Arizona Cooperative Contract. Cooperative Agreements are competitive contracts solicited and awarded by other public entities and whose cooperative language allows Valley Metro to utilize these contracts for its requirements.

CONTRACT TYPE AND TERM

The contract is an upon-completion contract with a firm-fixed price. It will begin on or about November 1, 2024, and continue until completion.

Executive Summary

**DATE**

October 11, 2024

AGENDA ITEM 3**SUBJECT**

Executive Session

COST AND BUDGET

There are no costs associated with this item

RECOMMENDATION

The Valley Metro Rail Board of Directors may vote to enter into Executive session according to A.R.S. 38-431.03 Section (A)(3) Discussion or consultation for legal advice with the attorney or attorneys of the public body; (A)(4) discussion or consultation with the attorneys of the public body in order to consider its position and instruct its attorneys regarding the public body's positions regarding contracts that are the subject of negotiations, in pending or contemplated litigation or in settlement discussions conducted in order to avoid or resolve litigation; and (A)(9) - discussions or consultations with designated representatives of the public body in order to discuss procedures and safety of rail operations with regard to collision mitigation.

CONTACT

Jessica Mefford-Miller

Chief Executive Officer

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ATTACHMENT

None



Executive Summary

DATE

October 11, 2024

AGENDA ITEM 4

SUBJECT

Report on Current Events and Suggested Future Agenda Items

PURPOSE

Chair Heredia will provide members the opportunity to report on current events and suggest future agenda items for consideration.

COST AND BUDGET

None

RECOMMENDATION

This item is presented for information only.

BACKGROUND/DISCUSSION/CONSIDERATION

None

COMMITTEE ACTION

None

CONTACT

Jessica Mefford-Miller
Chief Executive Officer
jmeffordmiller@valleymetro.org

ATTACHMENT

None

Pending Items Request

Item Requested	Date Requested	Planned Follow-up Date