

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**ACTION ITEM**

**Item No.** 4c  
**Date of Meeting** October 14, 2014

**DATE:** September 12, 2014  
**TO:** Ted J. Fick, Chief Executive Officer  
**FROM:** Stuart Mathews, General Manager Aviation Maintenance  
**SUBJECT:** Authorization to Contract for a Five (5) Year Technical Assistance Agreement with Bombardier Transportation Inc.

<b>Amount of This Request:</b>	\$1,900,000	<b>Source of Funds:</b>	Aviation Maintenance Expense Budget
<b>Est. State and Local Taxes:</b>	\$161,087	<b>Est. Jobs Created:</b>	0

**ACTION REQUESTED**

Request Commission authorization for the Chief Executive Officer to execute a five (5) year contract with Bombardier Transportation Inc. for an estimated value of \$1,900,000.

**SYNOPSIS**

The Satellite Transit System (STS) has carried passengers between the two satellite terminals and main terminals since 1973. In 2003, a replacement STS system went into operation. This system carries approximately 12 million travelers annually, and runs exceptionally well with the aid of a technical assistance contract with Bombardier that incorporates an on-site presence by a Bombardier manager. The current contract with Bombardier Transportation Inc. is scheduled to expire in November of 2014.

This request will initiate a new contract to provide support services for the next five years. Other owners of similar train systems around the world also utilize a similar service agreement to assure rapid expert analysis if problems arise, access to service bulletins, and deployment of technological improvements over time. Continued use of this proprietary information from the original manufacturer is key to keeping the system running at well over the existing 99% excellent reliability level. A sole source competition waiver has been approved and the Commission has been notified of that prior approval.

**BACKGROUND**

The Port of Seattle Maintenance Department has utilized a technical services & support agreement, annually, for the STS throughout its operating tenure at Seattle-Tacoma International Airport. There are no other sources that could provide the services & support necessary for the safe and reliable operation of the STS. The services provided by Bombardier include: 1) support for train & system operational controls; 2) a direct factory-approved mechanism for overall

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system & subsystem support; and 3) product safety updates from other Bombardier sites. These specialized tasks are provided by Bombardier at other facilities that use similar train systems.

To budget and pay for the Bombardier technical support, and other factory supported technical expertise, it is necessary to have in place a long-term technical assistance agreement with Bombardier for this system. Due to the proprietary nature of the system, Bombardier is the only entity that is factory-certified, and thus uniquely qualified to provide these technical assistance services to the Port. A Sole Source competition waiver has been approved and the Commission notified.

Port of Seattle technicians are trained to provide daily maintenance, while utilizing factory-certified technical expertise to assist with major programming changes and specific maintenance and repair work on this proprietary system. The proprietary controls include a Communication Based Train Control (CBTC), Bombardier CITYFLO 650 Automatic Train Operation and Protection software, supporting equipment, and subsystems.

On-site support has directly contributed to maintaining an operating efficiency of greater than 99% during the past 37 years the STS being in operation. Bombardier's representative has been a resource for parts issues, troubleshooting, providing test procedures, mentoring Port of Seattle mechanics, training new employees, and providing a conduit to receiving support services from Bombardier's home office in Pittsburgh, Pennsylvania.

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

**Alternative 1)** – Do nothing:

With no service contract in place, current maintenance staff would work to ensure the safe and reliable operation of the system without the technical services of Bombardier Transportation Inc., as the Port would no longer have a service contract with this entity. System service, technical troubleshooting, and proprietary system updates would not be available to the Port. Service would suffer, including potential system outages, due to the lack of proprietary system knowledge. This is not the preferred alternative.

**Alternative 2)** – Utilize a remote service contracting methodology:

Provide service support for the STS remotely via Bombardier's home office in Pittsburgh. This could result in delays for service and parts, thus affecting operating efficiencies. In the event of a major problem, support personnel would have to be scheduled to fly to SeaTac and the exact nature of system problems may not be fully diagnosed until a factory Bombardier Engineer is made available to arrive on site. This is not the preferred alternative.

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**Alternative 3)** – Execute a new 5 year service contract with Bombardier Transportation Inc.

Execute a five (5) year contract with Bombardier Transportation Inc. which includes: on-site support for train & system operational controls; a direct factory-approved conduit for overall system & subsystem support; and product/system safety updates from other Bombardier sites. **This is the recommended alternative.**

## **ATTACHMENTS TO THIS REQUEST**

- None.

## **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

- November 3, 2009. Commission authorized the Chief Executive Officer to execute a 5 year sole source Technical Assistance Agreement to support the Underground Train System at Seattle-Tacoma International Airport with Bombardier Transportation Inc.