



Massachusetts Bay Transportation Authority

Regional Rail RFI Update

Briefing for MBTA Board of Directors

December 19, 2024

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Goals for Regional Rail Modernization

What we aspire to achieve with the Transportation System of the Future

- 1** Support regional growth, equity and environmental justice by providing better connections between areas of affordable housing and employment centers
- 2** Decarbonize by electrifying service and attracting riders from cars with quicker, more frequent and reliable service
- 3** Prioritize safety, quality, on-time performance, operational flexibility and reliability through modernized performance management mechanisms
- 4** Ensure any contract is the right size to deliver the best value for the Taxpayers, and structured to optimize whole-life costs for major investments by aligning contract life to useful life
- 5** Maintain a highly-skilled workforce with strong union representation and invest in workforce development to support the transition



Successor Contract RFI Responses

The first step in the reprocurement was a Market Sounding Request for Information (RFI)

- Responses to the Regional Rail RFI were received April 19th
- 32 responses were received
- 29 meetings with respondents were held in late May through early July

Expressed Interest In:	Number of Firms
Passenger Service Operations	9
Infrastructure Management	12
DBFM Equity Investment	16
Rolling stock Maintenance	11
Rolling stock Leasing	4
Rolling stock Manufacturing	5
Other	4

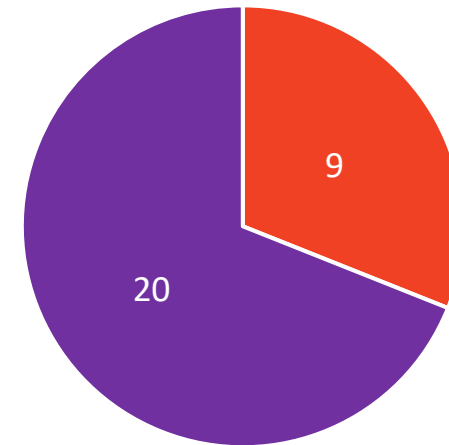
Some firms expressed interest in more than one area, hence does not add to 32



Detailed RFI Response Feedback

Topic	Detailed Feedback
Passenger Operations	<ul style="list-style-type: none"> Single passenger service operator, that is also responsible for train dispatch where feasible, is attractive for consistent passenger interface
Pricing	<ul style="list-style-type: none"> Participants prepared to provide fixed pricing on appropriate scopes of work if sufficient asset information and appropriate protections for certain external factors is provided.
Rolling Stock	<ul style="list-style-type: none"> Demonstrated interest in delivering new decarbonized rolling stock, including via private finance lease model Participants also prepared to maintain existing rolling stock in parallel with appropriate contract protections.
Performance Requirements	<ul style="list-style-type: none"> Understand need for appropriately calibrated performance requirements, acknowledging that appropriate carve-outs would be required for pre-existing issues relating to assets and other unknown issues.
Procurement Timelines	<ul style="list-style-type: none"> Strong desire for MBTA to set out realistic and achievable procurement timeframes
Contract Term	<ul style="list-style-type: none"> Consistent message that Passenger Service Operations should have a ~10 year term. Rolling stock maintenance should be 7-15 years. Infrastructure with private financing and whole life cost transfer should be ~25 years.

Responses on how to package the next contract



■ Single Contract
■ Multiple Packages



Alternatives Considered

Following the RFI three potential options have been developed

	Model	Precedents	Passenger Operations	Legacy Train Maintenance	New Train Procurement	Infrastructure Maintenance	Modernization/ Electrification Works
1.	Current Keolis Operations contract & MBTA Construction	Current MBTA, San Francisco Caltrain, Dallas	Train OpCo	Train OpCo	MBTA	Train OpCo	MBTA
2.	Single Contract for Operations & Modernization	Denver EAGLE P3, Toronto GO Expansion	RailCo	RailCo	RailCo	RailCo	RailCo
3.	Split Infrastructure Management off to deliver Modernization	MARC, VRE, Metrolink	Train OpCo	Train OpCo	Train OpCo	InfraCo	InfraCo

- TrainOpCo Train Operating Company
- RailCo Integrated Railroad Company
- InfraCo Infrastructure Management Company



Three Potential Contract Structures

The future contract will represent better Value for Money for Massachusetts

Current OpCo Contract

- Cost plus structure defers maintenance
- Leaves the CIP as only capital funding method
- Cost of modernizing further lines would exceed CIP capacity
- Transformative changes require contract negotiation
- Limited potential bidders

Single RailCo Contract

- Reduced Interfaces
- Requires firms to either partner or stretch their expertise
- Encourages reducing whole life cost
- Competing desires for different contract lengths
- Limited bidders of sufficient size

OpCo/InfraCo Split Contract

- Improved interfaces
- Firms do what they are good at
- Better whole life cost management
- Harnesses alternative funding routes
- More bidders by following international norms
- Contract length tailored to outcomes

Peer Commuter Rail Organizations (2018)

Separate Train/Infrastructure Operating contracts are common for services running over Freight lines

System	Rolling Stock Maintainer	Train Operations	Dispatch	Infrastructure O&M
LIRR, NY	Public	Public	Public	Public
MBTA	Contractor	Contractor	Contractor	Contractor
Souder, Seattle	Amtrak	Freight Railroad	Host Freight Railroad	Host Freight Railroad
MBTA NE Corridor	Contractor	Contractor	Amtrak	Amtrak
TriRail, FL	Contractor	Contractor	Contractor	Separate Contractor
GOTransit, Toronto	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
VRE, DC/VA	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
Denver EAGLE P3	Infra DBFOM	Infra DBFOM	Infra DBFOM	Infra DBFOM



Key Components of New Contract

Regardless of which structure is chosen there are some certainties

- Investing in the Workforce
 - CBAs for the existing workforce will carry over to the new contract(s)
 - MBTA will continue to support the workforce in labor relations with future contractors
 - Commitment to training and upskilling of existing workforce as new technologies are adopted
- Protecting Fare Revenue - Any new contract will properly incentivize fare collection
- Driving Better Service - There will be operational improvements driving better on time performance and customer experience
- MBTA will still have control over daily schedules and closures for construction
- Delivering Regional Rail
 - Regardless of structure, the contract(s) will deliver improved frequency across the rail network
 - Advance the objectives of Regional Rail Modernization—a high frequency, decarbonized, bidirectional, all-day service—to the extent possible within funding constraints



Appendix

Peer Commuter Rail Organizations (2018)

Complete List of Peer Systems

	System	Rolling Stock Maintainer	Train Operations	Dispatch	Infrastructure O&M
Public Option	LIRR, NY	Public	Public	Public	Public
	Metro-North, NY	Public	Public	Public	Public
	NJ Transit	Public	Public	Public	Public
	SEPTA, Philadelphia	Public	Public	Public	Public
	METRA - ME/RI/MD lines, Chicago	Public	Public	Public	Public
	South Shore Line, Chicago	Public	Public	Public	Public
	FrontRunner UT	Public	Public	Public	Public
	SMART, Sonoma, CA	Public	Public	Public	Public



Peer Commuter Rail Organizations (2018)

Complete List of Peer Systems

	System	Rolling Stock Maintainer	Train Operations	Dispatch	Infrastructure O&M
Integrated Operations	MBTA	Contractor	Contractor	Contractor	Contractor
	MARC NE Corridor - MD-DC	Contractor	Contractor	Contractor	Contractor
	SLE, Connecticut	Contractor	Contractor	Contractor	Contractor
	Caltrain, San Jose	Contractor	Contractor	Contractor	Contractor
	COASTER, San Diego	Contractor	Contractor	Contractor	Contractor
	TRE, Dallas-Fort Worth	Contractor	Contractor	Contractor	Contractor
	MetroRail - Austin	Contractor	Contractor	Contractor	Contractor
	A-Train Denton, TX	Contractor	Contractor	Contractor	Contractor
	Rail Runner, Santa Fe	Contractor	Contractor	Public	Contractor
	METRA - UP/BNSF lines, Chicago	Freight Railroad	Freight Railroad	Host Freight Railroad	Host Freight Railroad
	Music City Star, Nashville	Freight Railroad	Freight Railroad	Host Freight Railroad	Host Freight Railroad



Peer Commuter Rail Organizations (2018)

Complete List of Peer Systems

	System	Rolling Stock Maintainer	Train Operations	Dispatch	Infrastructure O&M
Split Infrastructure and Train Ops	MBTA NE Corridor	Contractor	Contractor	Amtrak	Amtrak
	TriRail, FL	Contractor	Contractor	Contractor	Separate Contractor
	SunRail, Orlando	Contractor	Contractor	Contractor	Separate Contractor
	METRA - SWS/HC/NCS lines, Chicago	Public	Public	Host Freight Railroad	Host Freight Railroad
	ACE, Stockton, CA	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
	MARC Brunswick/Camden lines- MD	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
	GOTransit, Toronto	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
	RTM Montreal	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
	VRE, DC/VA	Contractor	Contractor	Host Freight Railroad	Host Freight Railroad
	Metrolink, LA	Contractor	Amtrak	Host Freight Railroad	Host Freight Railroad
	WCE Vancouver	Contractor	Separate Contractor	Host Freight Railroad	Host Freight Railroad



Peer Commuter Rail Organizations (2018)

Complete List of Peer Systems

	System	Rolling Stock Maintainer	Train Operations	Dispatch	Infrastructure O&M
Integrated Train Infra Ops	Sounder, Seattle	Amtrak	Freight Railroad	Host Freight Railroad	Host Freight Railroad
	Northstar, Minneapolis	Public	Freight Railroad	Host Freight Railroad	Host Freight Railroad
	WES, Wilsonville OR	Public	Freight Railroad	Host Freight Railroad	Host Freight Railroad

	System	Rolling Stock Maintainer	Train Operations	Dispatch	Infrastructure O&M
Other	Denver EAGLE P3	Infra DBFOM	Infra DBFOM	Infra DBFOM	Infra DBFOM
	Brightline Florida	Infra DBFOM	Infra DBFOM	Infra DBFOM	Infra DBFOM

