

Rail GD gets major contract

Gilles Gagné

NEW RICHMOND: – New Richmond's Rail GD has signed a major contract worth \$16.4 million for the refurbishment of four VIA Rail dining cars. Those four cars are used on a Canadian train, linking Toronto to Vancouver.

It is the biggest contract obtained by Rail GD since the construction of the New Richmond shop at the beginning of 2012. It is also the fifth contract awarded to the Gaspesian company by VIA Rail. Rail GD will add ten employees to a workforce that is already 20 people strong.

That number of employees will increase to 40 by the end of the summer of 2019, when two dining cars will be in the shop at the same time. For now, the staff is working on the Annapolis dining car, which arrived on October 6. The Annapolis was built in 1955 by the Budd Company and rebuilt as part of the 1990-1993 VIA Rail fleet modernization campaign.

Subcontractors located in the Gaspé Peninsula and elsewhere in Quebec will also benefit from that VIA Rail contract.

The October 10 announcement was made in New Richmond by the president of VIA Rail Canada, Yves Desjardins-Siciliano. He indicated that the Rail GD contract completed four contracts to refurbish 79 stainless steel cars built between 1948 and 1955 by Budd Cars. VIA Rail's fleet includes 160 of those cars.

"In addition to the four cars sent here to Rail GD, 17 other cars were previously sent to Bombardier in La Pocatière in

order to make them handicapped accessible, while 33 cars will be repaired by VIA Rail's maintenance centre in Montreal and 25 will be repaired by CAD in Lachine," explained Mr. Desjardins-Siciliano.

The value of the four contracts adds up to \$150 million. Bombardier's part amounts to \$54 million, compared to \$46 million for CAD's agreement and \$33 million for the VIA Rail maintenance centre. Once refurbished, the dining cars will be good for an additional 25 years of service. Rail GD gets the smallest contract but the highest amount on a per-car basis, with \$4.1 million per unit.

The president of Rail GD, Gilles Babin, is happy to have won the \$16.4 million call for tenders and is confident to be in a position to win additional contracts with VIA Rail in a foreseeable future.

"All the contracts we have obtained with VIA Rail so far were delivered within the scheduled time frame, within the expected budget and there was zero rejection, because the work was done the right way the first time," he indicated.

Gilles Babin expresses the goal of winning another significant contract for dining car refurbishment once the four units included in the current agreement are delivered to VIA Rail, over the spring of 2020.

Yves Desjardins-Siciliano expressed an open mind about that. "Those four cars are part of a fleet of 13 units. We will see what to do by taking into account the work carried out on the first four units. The Rail GD people were chosen based



Photo: G. Gagné

The 20 employees of Rail GD started working on the Annapolis dining car on October 9, three days after its arrival in New Richmond.

on merit and they won the call for tenders hands down."

Based on simple arithmetic, awarding a nine dining car contract to Rail GD would translate into a \$35 million to \$40 million agreement. The first unit currently in the shop will be delivered in June 2019. The president of VIA Rail said that he will come to see the results.

The Canadian train mainly targets a tourist clientele wanting to see the scenery of Canada's central and western parts. "The kitchens of our dining cars were obsolete for that type of service. Some equipment dated back to the 1950s," points out Mr. Desjardins-Siciliano.

Rail GD was selected following an open process launched in April 2018. Besides installing a new kitchen, the work to be completed in the second quarter of 2020 will include installing devices to make the cars Wi-Fi ready for future deployment, carrying

out a mechanical upgrading and replacing various electronic and electrical components.

"The only things we are not touching are the wheels," says Gilles Babin.

Yves Desjardins-Siciliano stresses that the public transporter is currently preparing the replacement of the passenger cars assigned to the Quebec City-Windsor corridor. "The order will probably amount to 200 units and will

be awarded at the beginning in 2019, for a delivery in 2021 and 2022." The supplier is not known yet.

Meanwhile, the term of Yves Desjardins-Siciliano is coming to an end in 2019. He is interested in a second term as VIA Rail's president and chief executive officer. The selection process started the day after his New Richmond visit. None of VIA Rail's former presidents has been successful at landing a second term.