



City of Seattle
Office of the Mayor

News

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Mayor McGinn announces that First Hill Streetcar vehicles will be built in Seattle

Inekon-Pacifica wins bid on project and will bring high quality, living wage manufacturing jobs to Seattle

SEATTLE – Mayor Mike McGinn and Council President Richard Conlin, joined by labor and business representatives, today announced Inekon-Pacifica as the winning bidder to build six First Hill Streetcar vehicles. **Inekon**, based in the Czech Republic, is partnered with **Pacifica**, a Seattle-based manufacturer. The announcement, made at the Seattle Streetcar Maintenance Yard, highlighted investments in high capacity transit that are bringing, living wage manufacturing jobs to Seattle. The partnership will bring streetcar manufacturing jobs to Seattle and compete for other streetcar contracts around the country.

“This investment in improved transit will produce family wage jobs and send money back into our local economy,” said Mayor Mike McGinn. “An expanded rail network will also support economic development in our neighborhoods and give people affordable transportation choices. I congratulate Inekon-Pacifica on winning the bid to construct the vehicles and thank our Office of Economic Development, Transportation Department, Finance and Administrative Services and my staff for helping making today’s announcement possible.”

The City of Seattle is developing the First Hill Streetcar with funding from Sound Transit under an interlocal agreement that was established following the 2008 passage of the Sound Transit 2 ballot measure. The project will link First Hill to the regional Link light rail system via connections on Capitol Hill and in the International District.

“Bringing this work home to Seattle is a big boost to our economy,” said Council President Richard Conlin, Chair of the Regional Development and Sustainability committee. “This is great synergy! It advances our goals of getting more people to work by transit and putting more people to work in Seattle’s high-wage manufacturing sector.”

Today’s announcement was also a significant step in building capacity for a new industry in Seattle. Inekon and Pacifica will be bidding on other streetcar projects around the country, and the city of Seattle’s contract for the First Hill Streetcar vehicles includes purchase options that

can be used on expansions of the Seattle system, or transferred to other transit agencies that may need additional streetcar vehicles. An estimated 20 new high-wage union manufacturing jobs will result from this contract, with Pacifica's facility scaling with other future successful bids. Streetcar maintenance will also be performed by Pacifica employees – guaranteeing long-term employment.

Ing. Josef Husek, Director General of Inekon Group expressed his gratitude to the city of Seattle and the Seattle Department of Transportation. Ing. Husek said, "We are proud to work with you again and look forward to delivering our streetcars to the City of Seattle." Ing. Husek also expressed his pride in partnering with local company Pacifica Marine for this contract. Bill Patz, Chief Executive Officer of Pacifica Marine, said, "Pacifica is thrilled to be entering this manufacturing agreement to provide Inekon's outstanding streetcars to Seattle today and to other U.S. cities in the future."

The six First Hill Streetcar vehicles will be manufactured in the Czech Republic. They will then be assembled, painted, tested, and maintained in Seattle.

The announcement follows recent developments to expand Seattle's streetcar network. Mayor Mike McGinn announced last week that the Federal Transit Administration awarded Seattle a \$900,000 grant to study a high capacity transit project, such as a rapid streetcar, through the heart of downtown Seattle. The federal grant is matched by \$300,000 in SDOT funds, bringing the total to \$1.2 million. The current Seattle Transit Master Plan shows that a rail system on this corridor could generate approximately 10,000 new transit riders in Seattle Center City by 2030. The mayor's Proposed 2012 Budget also includes \$1.5 million for further high capacity transit planning in line with the priorities of the City's updated Transit Master Plan. That proposal is currently under consideration by the City Council.

Background

Pacifica is a specialty fabrication and refurbishment company in the mass transportation vehicle industry. The International Association of Machinist and Aerospace Workers started Pacifica to bring family wage jobs to its members in the State of Washington. The company is structured around the Association's High Performance Work Organization program which is designed to have employees involved in the operation of the company from the top down. This company is unique because of its goal is to create family wage jobs for its workers, not profits for the corporation. All of the profits from this company will be used to start other projects to benefit workers and their families.

The Inekon Group, of the Czech Republic, was established in 1990 as a private company focused on the export of rail vehicles and import of raw materials for the chemical industry. It has since developed into a commercial and production holding company focused on three areas: rail vehicles and railway tracks; chemical products and waste water treatment; and the export of investment units. The Inekon Group has a design studio for rail vehicles and a production site in Ostrava. Inekon also offers repairs and modernization for rail vehicles, and construction and renovations of railway track superstructures. The company was the provider of streetcars for the South Lake Union line of the Seattle Streetcar System.

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