

MOTION NO. M2011-04
Purchase 24 Forty-Foot Replacement Buses

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:	PHONE:
Operations and Administration Committee	1/20/11	Recommendation to Board	Bonnie Todd, Executive Director of Operations	(206) 398-5367
Board	1/27/11	Not Acted Upon	Dave Turissini, Bus Operations Manager	(206) 398-5035
Board	2/24/11	Final Action		

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with Gillig Corporation to manufacture and deliver 24 forty-foot hybrid buses in the amount of \$16,160,000 with a 5% contingency of \$808,000, for a total authorized amount not to exceed \$16,968,000.

KEY FEATURES

- This action authorizes the purchase of 24 forty-foot hybrid buses. The buses will be operated for Sound Transit by Pierce Transit. The price difference between the cost of a hybrid bus and diesel bus will be offset using federal grant funds.
- The buses being replaced are 1999 model Gillig Corporation forty-foot diesel buses that have reached the end of their useful life. This action is recommended to increase passenger comfort, reduce engine emissions and lower the operating and maintenance costs associated with operating high-mileage buses.
- The procurement will be based on an existing Hampton Roads Transit (Hampton, Virginia) contract with the Gillig Corporation containing options that have been successfully transferred to Sound Transit.
- The buses to be purchased will have a 37-passenger seating capacity and commuter amenities, such as reclining seats and overhead lighting.
- Production of the buses will begin in April 2012, and delivery will be in early July 2012.

PROJECT DESCRIPTION

The ST Express Fleet Replacement Program funds the necessary bus replacement for the ST Express Fleet.

The Federal Transit Administration's guideline for bus replacement is 12 years or 500,000 miles. All of the buses to be replaced exceed 500,000 miles and 12 years. The average mileage on these coaches is 730,000 miles. Fleet replacement decisions are made in consultation with our operating partner agencies and based on fleet performance, cost to operate, fuel efficiency, age and mileage.

Replacement of the first buses purchased for ST Express service in 1999 began in 2010. The timing of future fleet acquisitions will be defined in future Service Implementation Plans.

FISCAL INFORMATION

Summary for Board Action (Year of Expenditure \$000)

Project: 701 - ST Express Fleet Replacement Program; procure 24 Gillig buses from The Gillig Corporation.

	Adopted 2011 Lifetime Budget ¹ (A)	Committed To Date ² (D)	This Action (E)	Total Committed & Action (F)	Remaining Budget (G)
1 Agency Administration	\$ -	\$ -	\$ -	\$ -	\$ -
2 Preliminary Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
3 Final Design	\$ -	\$ -	\$ -	\$ -	\$ -
4 Right of Way	\$ -	\$ -	\$ -	\$ -	\$ -
5 Construction	\$ -	\$ -	\$ -	\$ -	\$ -
6 Vehicles	\$ 141,490	\$ 31,305	\$ 16,968	\$ 48,273	\$ 93,217
7 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -
8 Total Current Budget	\$ 141,490	\$ 31,305	\$ 16,968	\$ 48,273	\$ 93,217

Phase Budget Detail

9 Fleet Replacement	\$ 141,490	\$ 31,305	\$ 16,968	\$ 48,273	\$ 93,217
10 Misc. Activity	\$ -	\$ -	\$ -	\$ -	\$ -
11 Total Phase	\$ 141,490	\$ 31,305	\$ 16,968	\$ 48,273	\$ 93,217

Contract Budget	Current Approved Contract Value (H)	Spent to Date (I)	Proposed Action (J)	Proposed Total Contract Value (K)
12 Gillig Corporation	\$ -	\$ -	\$ 16,160	\$ 16,160
13 Contingency	\$ -	\$ -	\$ 808	\$ 808
14 Total	\$ -	\$ -	\$ 16,968	\$ 16,968
15 Percent Contingency	0%		5%	5%

Notes:

¹ Project budget is located on page 137 of the Proposed 2011 Transit Improvement Plan. The lifetime budget for the project in this table includes a budget amendment to increase the budget by \$4.8M that is concurrently being submitted to the Board for approval.

² Committed to date amount includes actual outlays and commitments through December 2010 and another procurement for 10 new buses from New Flyer that is concurrently being submitted to the Board for approval.

SMALL BUSINESS PARTICIPATION

As a manufacturer, the Gillig Corporation must submit its own Disadvantaged Business Enterprise program and corporate participation goal to the Federal Transit Administration. According to FTA's transit bus procurement guidelines, a transit bus manufacturer must certify to transit agencies that it has a DBE program in place. The Gillig Corporation has complied with FTA rules for participation with this procurement.

EQUAL EMPLOYMENT WORKFORCE PROFILE

719 employees; 10% women; 64% minorities.

BACKGROUND

The procurement will be completed using assigned options from a bus procurement contract between Hampton Roads Transit and the Gillig Corporation. The use of assigned options is a standard industry procurement practice widely utilized by public transit agencies and is approved by the Federal Transit Administration. The replacement buses will meet the current EPA emissions standard established in 2010

and will include interior security cameras, high-back reclining passenger seats, air conditioning, individual overhead passenger lighting, and luggage racks.

The original plan for ST Express fleet replacement was to purchase standard diesel coaches. Twenty-four buses that had been programmed into the fleet replacement plan as standard diesel engines will instead be buses with diesel-hybrid engines. The incremental cost will be funded through two Federal Transit Administration grants specifically applicable to diesel-hybrid buses.

Operating costs for hybrids are lower than for standard diesel buses; however, based on preliminary analyses, those savings are not enough to offset the higher upfront capital costs for this purchase. Sound Transit will apply the dedicated grant funding to defray the higher capital costs. Sound Transit will continue to evaluate the total cost of ownership of hybrids and diesels to inform future purchases.

Sound Transit has been awarded \$3 million under the Federal Transit Administration's State of Good Repair grant program and \$2,270,925 under FTA Clean Fuels Grant funding program for hybrid buses for a total grant funding of \$5,270,925. Both grants will be used toward the procurement of 24 forty-foot, hybrid buses that will be operated by Pierce Transit.

This procurement is consistent with Sound Transit bus replacement plans.

ENVIRONMENTAL COMPLIANCE

SSK 1-14-11

TIME CONSTRAINTS

A delay in procurement may result in a higher per unit bus cost and delayed production.

PUBLIC INVOLVEMENT

Not applicable to this action.

LEGAL REVIEW

JW 1/13/11