

MOTION NO. M2018-161
Purchase of Thirty-one Articulated Hybrid Diesel Expansion and Replacement Buses

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Operations and Administration Committee	12/06/2018	Recommend to Board	Bonnie Todd, Executive Director of Operations
Board	12/20/2018	Final Action	Robin Braziel, Director of Commuter Rail, Bus and Paratransit Dave Turissini, Bus Operations Manager

PROPOSED ACTION

Authorizes the chief executive officer to execute a contract with New Flyer Industries, Inc. to manufacture and deliver thirty-one 60-foot articulated hybrid diesel buses in the amount of \$38,827,407, with a 5% contingency of \$1,941,370, for a total authorized contract amount not to exceed \$40,768,777, plus applicable taxes and contingent upon Board approval of the 2019 Budget.

KEY FEATURES SUMMARY

- This action authorizes the purchase of thirty-one 60-foot articulated hybrid diesel buses for Sound Transit routes of which twenty-five are for fleet replacement and six will expand the fleet.
- The procurement will enable the replacement of twenty-two 2004 60-foot hybrid buses, two 2005 40-foot diesel buses, and one 2003 40-foot hybrid bus, all with more than 550,000 miles, and will expand the fleet by six buses to meet service requirements as outline in the 2019 Service Implementation Plan.
- Purchasing 60-foot buses to replace the three 40-foot buses will provide much needed passenger capacity.
- Production of the buses is scheduled to begin in February 2020 with delivery expected in July 2020.
- These buses will be purchased from the Washington State schedule.
- Applicable taxes are currently estimated to be \$4,154,533.

BACKGROUND

The Federal Transit Administration's recommended guideline for replacing buses is every 12 years or 500,000 miles whichever comes first.

The buses being replaced are currently at King County Metro. However, Sound Transit will be moving routes from one partner to another to meet service demands. Articulated buses are the most flexible high capacity bus type as all Sound Transit's bus partners have the ability to operate and maintain them.

The cost of the bus (\$1,252,497) includes passenger amenities, such as passenger reading lights, seat upgrades, on-board mobile communication systems, and security cameras. Contingency is included in the Board request for unexpected cost items.

PROCUREMENT INFORMATION

In 2015, the State of Washington advertised and accepted bids for 18 varieties of heavy- and medium-duty transit vehicles including 60-foot buses by New Flyer Industries, Inc. The proposed purchase would be from the State Contract #09214.

FISCAL IMPACT

The proposed contract with New Flyer Industries, Inc. for \$44,923,310 will provide thirty-one 60-foot articulated buses to be manufactured and delivered by 2020 that encompasses two ST Express projects as follows:

- ST Express Fleet Replacement for an amount not to exceed \$36,228,476 for twenty five buses; and
- ST Express Fleet Expansion for an amount not to exceed \$8,694,834 for six buses.

ST Express Fleet Replacement

The authorized project allocation to date for the ST Express fleet replacement project is \$189,268,845. Within that amount, \$189,222,030 has been allocated to the vehicle phase. The proposed action would commit \$36,228,476 and leave a remaining balance of \$18,817,903 in the vehicle phase.

This action is within the authorized project allocation to date and sufficient monies remain after approval of this action to fund the remaining work in the vehicle phase.

ST Express Fleet Expansion

The authorized project allocation to date for the ST Express fleet expansion project is \$39,756,769. Within that amount, \$39,756,769 has been allocated to the vehicle phase. The proposed action would commit \$8,694,834, leaving a budget shortfall of \$6,456,171.

While this action executes the contract, no funds will be spent until the delivery of the buses until 2020. The Proposed 2019 Budget revisions reflects a change in the authorized project allocation to date of \$7,000,000 resulting in an uncommitted budget balance of \$543,829 in the vehicle phase.

Upon approval of the Proposed 2019 Budget, this action is within the authorized project allocation and sufficient monies remain after the approval of this action to fund the remaining work in the vehicle phase as contained in the current cost estimates.

New Flyer Industries, Inc	Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval
Contract Amount	\$	\$	\$38,827	\$38,827
Contingency			\$1,941	\$1,941
Taxes			\$4,155	\$4,155
Total Contract Amount	\$	\$	\$44,923	\$44,923
Percent Contingency	0%	0%	5%	5%

ST Express Fleet Replacement - 7X701

(in thousands)

Project Phase	Authorized Project Allocation to Date	Board Approvals	This Action	Board Approved Plus Action	Uncommitted /(Shortfall)
Agency Administration					
Preliminary Engineering					
Final Design					
Right of Way					
Construction	\$47	\$47		\$47	
Construction Services					
Third Party Agreements					
Vehicles	\$189,222	\$134,176	\$36,228	\$170,404	\$18,818
Contingency					
Total Current Budget	\$189,269	\$134,222	\$36,228	\$170,451	\$18,818

ST Express Fleet Expansion - 700720

(in thousands)

Project Phase	Authorized Project Allocation to Date	Board Approvals	This Action	Board Approved Plus Action	Uncommitted /(Shortfall)
Agency Administration					
Preliminary Engineering					
Final Design					
Right of Way					
Construction					
Construction Services					
Third Party Agreements					
Vehicles	\$39,757	\$37,518	\$8,695	\$46,213	(\$6,456)
Contingency					
Total Current Budget	\$39,757	\$37,518	\$8,695	\$46,213	(\$6,456)

Budget Shortfall Funding					(\$6,456)
2019 Budget Revision					\$7,000
Adjusted Project Allocation Budget					\$544

Notes:

Amounts are expressed in Year of Expenditure \$000s.

Board Approvals = Committed To-Date + Contingency as of Oct 2018, and includes pending Board actions (M2018 - 160)

For detailed project information, see pages 141 and 218 of the Proposed 2019 Budget.

SMALL BUSINESS PARTICIPATION

As a transit bus manufacturer, New Flyer Industries, Inc. must submit its own Disadvantaged Business Enterprise (DBE) program and goal to the Federal Transit Administration, and according to FTA's transit bus procurement rules, transit bus manufacturers must certify to transit agencies that they have a DBE program in place. New Flyer Industries, Inc. has certified that they have a DBE program and complied with FTA rules for participation in this procurement.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay would create a significant impact as this procurement has a very tight deadline to meet delivery deadlines for the service change in September 2020.

ENVIRONMENTAL REVIEW

KH 11/29/18

LEGAL REVIEW

AJP 11/30/2018

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A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with New Flyer Industries, Inc. to manufacture and deliver thirty-one 60-foot articulated hybrid diesel buses in the amount of \$38,827,407, with a 5% contingency of \$1,941,370, for a total authorized contract amount not to exceed \$40,768,777, plus applicable taxes and contingent upon Board approval of the 2019 Budget.

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MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a contract with New Flyer Industries, Inc. to manufacture and deliver thirty-one 60-foot articulated hybrid diesel buses in the amount of \$38,827,407, with a 5% contingency of \$1,941,370, for a total authorized contract amount not to exceed \$40,768,777, plus applicable taxes and contingent upon Board approval of the 2019 Budget.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 20, 2018.



Dave Somers
Board Chair

ATTEST:



Kathryn Flores
Board Administrator