

SOUND TRANSIT

MOTION NO. M99-43

Option Purchase of Twenty, 40-Foot Gillig Buses

BACKGROUND AND COMMENTS

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/17/99	Recommend Board Approval	Veronica Parker, Program Manager, Regional Bus	206-398-5042
Board of Directors	7/8/99	Approval	Agnes Govern, Director, Regional Express	206-398-5037

ACTION:

Approval of Motion M99-43 will authorize staff to exercise the option with the Gillig Corporation for the purchase of twenty, 40-foot buses. This contract with Gillig Corporation exercises an option held by King County Metro. In 1997, King County Metro gave Sound Transit authority to purchase up to 90 buses from their contract MB 94-1.

BACKGROUND:

Sound Move included funding for the implementation of ST Express routes. The 1999 SIP has programmed 193 buses to meet the ST Express service demands. The King County Metro option was developed into contract RTA/RE 72-98. That was presented to the Board in April 1998 as Resolution No. R98-34. This resolution authorized the execution of the Gillig Corporation contract for up to 90 buses. The initial purchase was for 70 buses.

Delivery on the initial order of 70 begins in July and is scheduled for completion in December 1999. Buses from the option order would be delivered in 2000 and 2003. The delivery schedule is in accordance with the increases in the ST Express vehicle requirements as the service ramps up.

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

- ◆ *Sound Move*, the Ten-Year Regional Transit System Plan.
- ◆ Motion No. M98-3, approving bus procurement strategy (February 12, 1998).
- ◆ Resolution No. R98-34, authorizing execution of the Gillig contract (July 23, 1998).
- ◆ Resolution No. R98-46, adopting the Service Implementation Plan (November 12, 1998).
- ◆ Resolution No. R98-49, approving 1999 Budget and Capital Plan (November 12, 1998).

KEY FEATURES:

- ◆ The unit cost is approximately \$270,000. Training, support manuals, spare parts, contingency, and taxes have also been incorporated into the not to exceed amount of \$6,800,000.
- ◆ These buses will be equipped with high-back cloth seats, air conditioning, parcel racks, reading lamps, bicycle racks, and wheelchair lifts in accordance with the Americans With Disabilities Act.
- ◆ Gillig has acknowledged their willingness and capability to perform the proposed work in accordance with the terms of the option contract.

FUNDING:

The Board-adopted 1999 Budget includes the purchase of the ST Express fleet required to run the routes detailed in the 1998 Service Implementation Plan. The 1999 Service Implementation Plan (scheduled for Board action on June 24, 1999) includes the exercise of the Gillig option. See Attachment 1 for details.

The vehicle budget reflects an increase in vehicle requirements and the leasing of the Breda buses. The Bredas are a fleet of buses owned and operated by King County Metro for routes that operate through the tunnel. This type of bus is required for ST Express Route 550 Bellevue-Seattle service due to the route running in the tunnel. A portion of the deficit is being absorbed by capacity in other areas of the Regional Bus capital budget. Overall, the capital budget is consistent with the *Sound Move* Appendix A budget.

ALTERNATIVES:

The Board could decide not to authorize this contract resulting in an independent procurement for twenty, 40-foot buses. The lead-time to complete this type of procurement process and manufacture the fleet may not meet the late 2002-2003 implementation date.

CONSEQUENCES OF DELAY:

Given the current manufacturing climate, bus procurements have a lead-time of 18 to 24 months. Delay of exercising the option may jeopardize our ability to secure delivery dates that will meet the 2002-2003 implementation date.

LEGAL REVIEW:

The Legal Department has reviewed and approved the Background and Comments and the Motion.

SOUND TRANSIT

MOTION NO. M99-43

A motion of the Board of Directors of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to exercise the option with Gillig Corporation for the purchase of twenty (20, 40-foot buses in an amount not to exceed \$6,800,000.

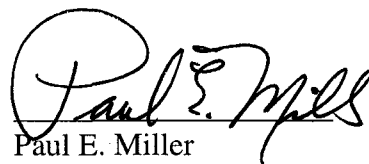
Background:

Sound Move included funding for the implementation of Regional Express bus routes, and the 1999 budget assumed the acquisition of approximately 193 buses. The ST Express system is scheduled to begin operations in September 1999. In July 1998, the Sound Transit Board of Directors approved the purchase of seventy 40' Gillig buses with an option to purchase up to twenty (20) additional buses by exercising a contract option held by King County Metro. The seventy buses are scheduled for delivery beginning July 1999 to be completed by the end of the year. This motion authorizes the execution of the option with Gillig Corporation to procure up to an additional twenty 40' buses in an amount not to exceed \$6,800,000.

Motion:

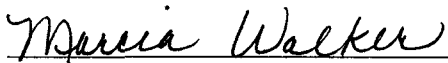
It is hereby moved by the Board of Directors of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to exercise the purchase option and execute a contract for twenty 40' buses with Gillig Corporation, in an amount not to exceed \$6,800,000.

Approved by the Board of Directors of the Central Puget Sound Regional Authority at a regular meeting thereof on the 8th day of July, 1999.



Paul E. Miller
Board Chair

ATTEST:



Marcia Walker
Board Administrator