

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2009-09

Contract with Motor Coach Industries

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	1/22/09	Discussion/Possible Action to Recommend Board Approval	Bonnie Todd Director, Transportation Services	(206) 398-5367
Board	1/29/09	Action	John May, Manager, Bus Operations	(206) 398-5016

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	✓
Inter-Local Agreement		Contingency Funds (Budget) Required	
Purchase/Sale Agreement	✓	Budget Amendment Required	

✓ *Applicable to proposed transaction.*

PROJECT NAME

ST Express Fleet Expansion Program

PROPOSED ACTION

Authorizes the chief executive officer to execute options to the contract with Motor Coach Industries for the purchase of three 45-foot commuter buses in the amount of \$1,700,000, for a new total authorized contract amount not to exceed \$12,081,000.

KEY FEATURES OF PROPOSED ACTION

- The contract with Motor Coach Industries (MCI) was originally for 50 buses. Twenty buses were previously acquired by Sound Transit and twenty seven options were used by other transit agencies. This action exercises the remaining three options in the contract.
- Delivery is scheduled to occur in the 3rd quarter of 2010 so that these buses will be available for increases in peak hour service as planned for in ST2.
- The buses are heavy duty commuter style models with comfortable high-back seating for 57 passengers. The buses are equipped with passenger amenities including air-conditioning, parcel racks with integrated reading lamps and wheel chair lifts.
- Each bus will be equipped with low emission Cummins diesel engines that meet Environmental Protection Agency emission standards established for buses manufactured in 2009. These requirements include use of ultra low sulfur diesel fuel, a closed crankcase ventilation system and a diesel oxidation catalyst system to reduce exhaust particulate matter by 30%.
- Pierce Transit will be the operating agency, and the buses will be assigned to routes originating from Pierce County.
- This contract meets Federal Transit Administration (FTA) procurement guidelines in the event grant funding becomes available.

BUDGET IMPACT SUMMARY

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action would authorize the purchase of an additional three MCI coaches to add to the existing ST Express fleet, in an amount not to exceed \$1,700,000. The Adopted 2009 Budget includes a total ST Express Fleet Expansion Program (project #705) budget of \$42.0 million. Of this amount, nothing has been spent or committed to date.

BUDGET TABLE

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

Project: 705 - ST Express Fleet Expansion Program: procure three 45 foot coaches from Motor Coach Industries, Inc.

	Adopted 2009 Budget ¹ (A)	Committed To Date ² (D)	This Action (E)	Total Committed & Action (F)	Uncommitted (Shortfall) (G)
1 Agency Administration	\$ -	\$ -	\$ -	\$ -	\$ -
2 Preliminary Engineering	\$ -	\$ -	\$ -	\$ -	\$ -
3 Final Design	\$ -	\$ -	\$ -	\$ -	\$ -
4 Right of Way	\$ -	\$ -	\$ -	\$ -	\$ -
5 Construction	\$ -	\$ -	\$ -	\$ -	\$ -
6 Vehicles	\$ 42,000	\$ -	\$ 1,700	\$ 1,700	\$ 40,300
7 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -
8 Total Current Budget	\$ 42,000	\$ -	\$ 1,700	\$ 1,700	\$ 40,300

Phase Budget Detail

9 ST2 Fleet Expansion	\$ 42,000	\$ -	\$ 1,700	\$ 1,700	\$ 40,300
10 Misc. Activity	\$ -	\$ -	\$ -	\$ -	\$ -
11 Total Phase	\$ 42,000	\$ -	\$ 1,700	\$ 1,700	\$ 40,300

Contract Budget	Current Approved Contract Value (H)	Spent to Date (I)	Proposed Action (J)	Proposed Total Contract Value (K)
12 Motor Coach Industries, Inc.	\$ 10,381	\$ 10,191	\$ 1,700	\$ 12,081
12 Contingency	\$ -	\$ -	\$ -	\$ -
13 Total	\$ 10,381	\$ 10,191	\$ 1,700	\$ 12,081
14 Percent Contingency	0%		0%	0%

Notes:

¹ Amendment 22 to the proposed 2009 budget added \$42M to create a project for Fleet Expansion to meet additional service needs as identified in ST2. The Amended 2009 Budget was adopted by the Board on December 11, 2008.

² Committed to date amount includes actual outlays and commitments through December 31, 2008.

SMALL BUSINESS PARTICIPATION

Prime Consultant/Contractor

As a Transit Vehicle Manufacturer, MCI must submit its own DBE program and goal to the Federal Transit Administration (FTA), and by FTA's transit vehicle procurement rules, Transit Vehicle Manufacturers must certify to transit agencies that they have a DBE program in place. MCI has complied with FTA rules for DBE participation with this procurement.

Equal Employment Workforce Profile

The employees of MCI will perform the construction and assembly of the buses. MCI's workforce demographics are 28% women and 3.2% minorities. MCI will comply with all FTA EEO policies and procedures.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In 2004 the Board approved the initial purchase of 13 MCI coaches to be operated by Pierce Transit. In 2008 seven more MCI coaches were purchased to be operated by Pierce Transit. The three vehicles in this purchase are the last of the options available in the original contract.

In 2003, during a month-long test of the MCI, customer surveys showed overwhelmingly positive responses for its smooth, quiet and comfortable ride. Customers continue to favor these buses.

The Pierce Transit vehicle maintenance staff will provide the bus construction and acceptance inspections. Upon delivery, this fleet will be operated by Pierce Transit to enhance various ST Express services originating from the Pierce County area.

Prior Board/Committee Actions

Motion or Resolution Number	Summary of Action	Date of Action
M2007-56	Authorizing the chief executive officer to execute a contract amendment with Motor Coach Industries, Inc. to purchase seven 45-foot long haul diesel coaches in the amount of \$3,794,000, for a new total authorized contract amount not to exceed \$10,381,000.	6/14/2007
M2004-75	Authorizing the Chief Executive Officer to execute a contract with Motor Coach Industries for the manufacture and delivery of thirteen, 45-foot long haul transit buses for a total authorized contract amount not to exceed \$6,604,717.	9/9/2004

CONSEQUENCES OF DELAY

Postponing this action may result in late delivery of the fleet with subsequent delay in service change implementation in 2009-2010.

PUBLIC INVOLVEMENT

Not applicable to this action.

ENVIRONMENTAL COMPLIANCE

SSK 12-29-08

LEGAL REVIEW

JW 1/15/09

SOUND TRANSIT

MOTION NO. M2009-09

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute options to the contract with Motor Coach Industries for the purchase of three 45-foot commuter buses in the amount of \$1,700,000, for a new total authorized contract amount not to exceed \$12,081,000.

Background:

In 2004 the Board approved the initial purchase of 13 MCI coaches to be operated by Pierce Transit. In 2008 seven more MCI coaches were purchased to be operated by Pierce Transit. The three vehicles in this purchase are the last of the options available in the original contract.

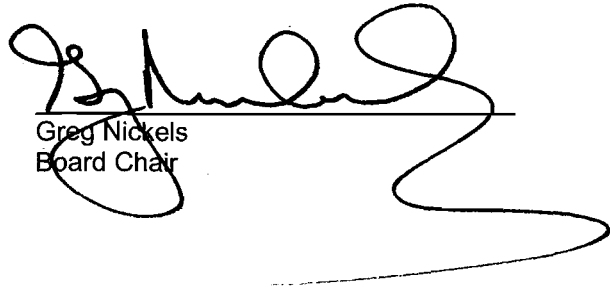
In 2003, during a month-long test of the MCI, customer surveys showed overwhelmingly positive responses for its smooth, quiet and comfortable ride. Customers continue to favor these buses.

The Pierce Transit vehicle maintenance staff will provide the bus construction and acceptance inspections. Upon delivery, this fleet will be operated by Pierce Transit to enhance various ST Express services originating from the Pierce County area.

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 options to the contract with Motor Coach Industries for the purchase of three 45-foot commuter buses in the amount of \$1,700,000, for a new total authorized contract amount not to exceed \$12,081,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 29, 2009.



Greg Nickels
Board Chair

ATTEST:



Marcia Walker
Board Administrator