

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2009-15**

**Contract with New Flyer Corporation**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	2/05/09	Discussion/Possible Action	Bonnie Todd, Director of Transportation Services	(206) 398-5367
Board	2/12/09	Action	<b>John May, Project Manager Bus Operations</b>	(206) 398-5016

<b>Contract/Agreement Type:</b>	<b>✓</b>	<b>Requested Action:</b>	<b>✓</b>
Competitive Procurement		Execute New Contract/Agreement	✓
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate		Property Acquisition	

**PROJECT NAME**

ST Express Fleet Program

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract with New Flyer Corporation for the purchase of 13 60-foot New Flyer articulated hybrid buses in the amount of \$11,700,000.

**KEY FEATURES of PROPOSED ACTION**

- The proposed action would authorize acquisition of 13 buses from New Flyer Corporation using options transferred to Sound Transit by King County from its MB 06-2 contract.
- This contract with New Flyer Corporation is for articulated hybrid buses for operation of ST Express by King County to provide an appropriate fleet size to meet demand for service.
- The additional buses will provide the ability to implement planned service improvements as approved by the Board and in support of service as a part of ST2.
- Articulated hybrid buses will provide fleet flexibility for equipment assignment in the King County operated system.

**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 Sound Transit to acquire 13 buses from the New Flyer Corporation for a total cost of \$11,700,000. These buses will be operated by King County.

The Adopted 2009 Budget includes a total ST Express Fleet Expansion Program (project #705) budget of \$42.0 million. Of this amount, \$1.7 million has been spent or committed to date. After the proposed action, there would be a remaining balance of \$28.6 million in the program.

## **BUDGET TABLE**

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

Project: 705 - ST Express Fleet Expansion Program; procure 13 60 foot hybrid coaches from New Flyer, Inc.

	Adopted 2009 Budget <sup>1</sup> (A)	Committed To Date <sup>2</sup> (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	\$ 11,700	\$ 13,400	\$ 28,600
7 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -
8 Total Current Budget	\$ 42,000	\$ 1,700	\$ 11,700	\$ 13,400	\$ 28,600

### **Phase Budget Detail**

9 ST2 Fleet Expansion	\$ 42,000	\$ 1,700	\$ 11,700	\$ 13,400	\$ 28,600
10 Misc. Activity	\$ -	\$ -	\$ -	\$ -	\$ -
11 Total Phase	\$ 42,000	\$ 1,700	\$ 11,700	\$ 13,400	\$ 28,600

Contract Budget	Current Approved Contract Value (H)	Spent to Date (I)	Proposed Action (J)	Proposed Total Contract Value (K)
12 New Flyer	\$ -	\$ -	\$ 11,700	\$ 11,700
12 Contingency	\$ -	\$ -	\$ -	\$ -
13 Total	\$ -	\$ -	\$ 11,700	\$ 11,700
14 Percent Contingency	0%		0%	0%

### **Notes:**

<sup>1</sup> Project budget is located on page 73 of the Proposed 2009 Budget book. Amendment 22 to the proposed budget added \$42M to the project budget 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.

<sup>2</sup> Committed to date amount includes actual outlays and commitments through December 31, 2008, plus a commitment to purchase three MCI coaches, pending Board approval in January 2009.

## **SMALL BUSINESS PARTICIPATION**

### **Prime Consultant/Contractor**

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

### **Equal Employment Workforce Profile**

The employees of New Flyer Corporation will perform the construction and assembly of the buses. New Flyer Corporation's workforce demographics are 17% women and 13% minorities.

## **PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION**

In November of 2008 Sound Transit staff negotiated with King County for the transfer of 13 bus options with New Flyer Industries from its contract MB 06-2. These options may be executed by Sound Transit until the agreement expires on March 7, 2009.

The New Flyer hybrid buses were found to be satisfactory in terms of fuel type and engine maintenance, emissions and rider capacity. A New Flyer articulated bus has more seating capacity than a 40-foot bus. Sound Transit can maximize ridership per bus by purchasing high capacity buses.

Sound Transit currently owns 24 New Flyer 60-foot articulated hybrid buses and one New Flyer 40-foot hybrid bus.

In general hybrid buses use less fuel, are more efficient, produce fewer emissions, and are quieter than conventional buses (results vary significantly per transit property and operational characteristics). The Sound Transit Express bus system operated by King County is a mix of highway and stop and go operation. The advantages of current hybrid technology are best realized with stop and go operation.

## **PRIOR BOARD/COMMITTEE ACTIONS ON THIS PROJECT**

None

## **CONSEQUENCES of DELAY**

The procurement of additional buses for King County operations was anticipated in the ST2 planning. These buses are needed to fulfill additional hours of service called for in the ST2 program. There is a very small window of opportunity to add the Sound Transit order to the New Flyer production schedule and receive the buses during the early part of 2010. Delaying Board action past February 2009 would result in missing the opportunity to use these options. Otherwise, the two other options include 1) waiting for King County's next fleet order later in 2009 or 2) undertaking a stand-alone procurement process. Either option would push delivery out to late 2010 as well as increase procurement costs.

## **ENVIRONMENTAL COMPLIANCE**

SSK 12-29-08

## **LEGAL REVIEW**

JW 1/28/2009

## SOUND TRANSIT

### MOTION NO. M2009-15

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 Corporation for the purchase of 13 60-foot New Flyer articulated hybrid buses in the amount of \$11,700,000.

#### Background:

In November 2008, Sound Transit staff negotiated with King County for the transfer of 13 bus options with New Flyer Industries from its contract, MB 06-2. These options may be executed by Sound Transit until the agreement expires on March 7, 2009. This contract with New Flyer Corporation is for articulated hybrid buses for operation of ST Express by King County to provide an appropriate fleet size to meet demand for service. The additional buses will provide the ability to implement planned service improvements as approved by the Board and in support of service as a part of ST2.

The New Flyer hybrid buses were found to be satisfactory in terms of fuel type and engine maintenance, emissions and rider capacity. A New Flyer articulated bus has more seating capacity than a 40-foot bus. Sound Transit can maximize ridership per bus by purchasing high capacity buses. Sound Transit currently owns 24 New Flyer 60-foot articulated hybrid buses and one New Flyer 40-foot hybrid bus.

In general hybrid buses use less fuel, are more efficient, produce fewer emissions, and are quieter than conventional buses (results vary significantly per transit property and operational characteristics). The Sound Transit Express bus system operated by King County is a mix of highway and stop and go operation. The advantages of current hybrid technology are best realized with stop and go operation.

#### 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 Corporation for the purchase of 13 60-foot New Flyer articulated hybrid buses in the amount of \$11,700,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 12, 2009.



Greg Nickels  
Board Chair

#### ATTEST:



Marcia Walker  
Board Administrator