

SOUND TRANSIT

MOTION NO. M99-23

**Contract with New Flyer of America for
Twenty CNG Buses
BACKGROUND AND COMMENTS**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	4/15/99	Recommendation	Veronica Parker, Program Manager, Regional Bus	689-3533
Board	4/22/99	Approval	Agnes Govern, Director, Regional Express	684-1673

ACTION:

Approval of Motion M99-23 will authorize the execution of the purchase contract with New Flyer of America for the procurement of twenty CNG low-floor buses for Regional Express services operating in Pierce County, in an amount not to exceed \$8.3 million.

BACKGROUND:

In February of 1998, the Board approved bus procurement strategies that included having the staff work with Pierce Transit for the appropriate diesel/CNG fleet mix to operate in the Pierce County subarea. A subsequent motion was approved in September 1998, authorizing staff to participate in the upcoming CNG fleet procurement of Pierce Transit. Sound Transit has been funding multiple runs each day on Seattle Express routes since September of 1997, and these buses operate as a part of our early implementation plan.

In April 1999, Pierce Transit awarded the CNG bus contract to New Flyer of America. This contract included an option for Sound Transit to purchase twenty CNG buses. Participation in this contract is an element of Sound Transit's fleet strategy to meet the service demand specified in the Service Implementation Plan.

The Regional Express bus system, which is scheduled to begin operation this September, is consistent with the Board-approved System Implementation Plan. The planned service increase in 2001 will require adding more buses in the Pierce County Subarea. These twenty CNG buses will be added to Pierce County operations when they are delivered in late 2000.

In an effort to work cooperatively with Pierce Transit in its alternative fuel program, staff has pursued an effective strategy that maximizes the utility of CNG buses without negatively affecting the Regional Express budget. The environmental impacts of the proposed bus procurement are within the range of alternatives and impacts previously evaluated in the 1993 Environmental Impact Statement for the Regional Transit System Plan. Staff recommends the purchase of twenty (20) CNG New Flyer buses by exercising an option to Pierce Transit's CNG

procurement. The estimated cost per bus including air-conditioning, high-back seats, bike-racks, and parcel racks is \$360,000. The total contract costs including the contingency will not exceed \$8.3 million.

RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:

- ◆ Sound Move, the Ten-Year Regional Transit System Plan
- ◆ Adoption of Motion M98-3, approval of recommended bus procurement strategies to include an appropriate diesel/CNG fleet mix (February 12, 1998).
- ◆ Adoption of Motion M98-57, authorizing work with Pierce Transit on the procurement of CNG buses needed to operate Regional Express services in the Pierce County subarea (September 4, 1998).

KEY FEATURES:

- ◆ With an estimated unit cost at \$360,000, this contract will include twenty CNG buses in an amount not to exceed \$8.3 million including spare parts (5%) and contingency (10%).
- ◆ The buses will be equipped with air-conditioning systems, high-back seats, luggage racks, reading lamps, and bicycle racks.
- ◆ The buses will be providing services in the Pierce County subarea, and Pierce Transit has extensive experience in operations and maintenance of these CNG buses.
- ◆ The buses will be equipped with Cummins-C CNG engines which meet or exceed the emission standard established by the Clean Air Act.

FUNDING:

The 1998 budget included \$72 million for bus procurement for the 192 buses (spares included) Regional Express fleet.

Bus Type	Quantity	Cost
60' articulated buses	75	\$34 million
40' diesel	70	\$21 million
40' CNG buses	20	\$8.3 million
40' CNG buses buy from Pierce Transit	27	\$7 million
Total	192	\$70.3 million (\$72 million was budgeted to include related capital costs such as parts and other equipment)

ALTERNATIVES:

Sound Transit could conduct an independent procurement for CNG buses.

CONSEQUENCES OF DELAY:

Sound Transit may lose the opportunity to work with Pierce Transit on a joint CNG bus procurement. This would result in delay in deployment of CNG buses in Pierce County subarea.

LEGAL REVIEW:

The Legal Department has reviewed and approved the Background and Comments on the motion.

SOUND TRANSIT

MOTION NO. M99-23

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract with New Flyer of America to purchase twenty (20) Compressed Natural Gas (CNG) buses in an amount not to exceed \$8,300,000 by exercising an option to Pierce Transit's CNG procurement.

Background:

In February 1998, the Board approved bus procurement strategies that included the staff to work with Pierce Transit for the appropriate diesel/CNG fleet mix to operate in the Pierce County subarea. In September 1998, the Board authorized staff to participate in the upcoming CNG fleet procurement of Pierce Transit.

In April 1999, Pierce Transit awarded the CNG bus contract to New Flyer of America. This contract included an option for Sound Transit to purchase (20) CNG buses. Participation in this contract is an element of Sound Transit's fleet strategy to meet the service demand specified in the Service Implementation Plan.

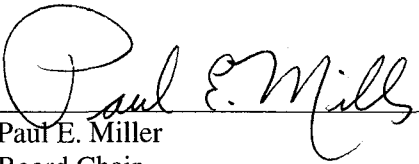
The Regional Express bus system, which is scheduled to begin operation in September 1999, is consistent with the Board-approved System Implementation Plan. The planned service increase in 2001 will require adding more buses in the Pierce County subarea. These twenty CNG buses will be added to Pierce County operations when they are delivered in late 2000. The environmental impacts of the proposed bus procurement are within the range of alternatives and impacts previously evaluated in the 1993 Environmental Impact Statement for the Regional Transit System Plan.

As with the other Sound Transit buses from Gillig and New Flyer, the CNG buses will be equipped with air-conditioning, high-back seats, bicycle racks, parcel racks, and reading lamps. With these options, Sound Transit CNG bus will cost approximately \$360,000 per bus.


Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to execute a contract with New Flyer of America for an amount not to exceed \$8,300,000 for the procurement of twenty (20) Compressed Natural Gas (CNG) buses, by exercising an option to Pierce Transit's CNG procurement, Contract No. PT-98-32.

Approved by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the ~~4th~~ ^{22nd} day of April, 1999.


Paul E. Miller
Board Chair

ATTEST:


Marcia Walker
Board Administrator