

**SOUND TRANSIT**

**MOTION NO. M99-24**

**Sole Source Contract Procurement of the Pierce Transit CNG Buses  
BACKGROUND AND COMMENTS**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	4/16/99	Recommend Board Approval	Veronica Parker, Program Manager, Regional Bus	689-3533
Board	4/22/99	Approval	Agnes Govern, Director, Regional Express	684-1673

**ACTION:**

Approval of Motion No. M99-24 will authorize the execution of a sole source contract with Pierce Transit for procurement up to twenty-seven, 1994 CNG Orion buses for Regional Express services operated by Pierce Transit.

**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 authorizing staff to participate in their upcoming CNG fleet procurement. And since September of 1997, Sound Transit has been funding multiple runs each day on Seattle Express routes, where these buses operate as a part of our early implementation plan.

Consistent with the Board-approved System Implementation plan, staff is allocating fifty-seven (57) buses. The fleet mix for the subarea includes ten (10) articulated, twenty (20) new 40' buses and used CNG buses (27).

With respect to our fleet strategy, our priority is providing an adequate number of buses in routes defined in the Service Implementation Plan. Additionally, to meet the objective and to achieve effective use of the capital fund, we decided to procure the CNG buses currently owned and operated by Pierce Transit. In addition, such strategy supports our partnership in Pierce Transit's emission reduction efforts, as well as ours.

In an effort to work cooperatively with Pierce Transit on their alternative fuel initiative, staff has pursued a cost-efficient 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 up to twenty-seven (27) CNG Orion buses from Pierce Transit to obtain the highest level of consistency and reliability for Regional Express service operated by Pierce Transit.

This procurement should be approved as a sole source based on:

- ◆ No CNG 40' vehicles could be manufactured and delivered in time for the September start-up.
- ◆ These buses are needed to meet the Regional Express vehicle requirements for September deployment outlined in the System Plan.
- ◆ These buses are already being used for the Seattle-Tacoma service; therefore, they have a good record of reliability.
- ◆ Pierce Transit staff is equipped and trained in CNG engine technology, resulting in no service disruption.
- ◆ These buses are already equipped with air-conditioning, high-back seats, carpeting, luggage racks, and bicycle racks, making them consistent with other new Sound Transit buses.

This contract is for the purchase of up to twenty-seven (27), 1994, 40' CNG Orion buses at a cost of \$190,000 per bus. Including the 15% contingency costs, total contract is not to exceed an amount of \$5,900,000.

**RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:**

- ◆ Adoption of *Sound Move*, the Ten-year Regional Transit System Plan (May 31, 1996).
- ◆ 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 to work with Pierce Transit on the procurement of CNG buses needed to operate Regional Express services in the Pierce subarea (September 4, 1998).
- ◆ Adoption of Resolution R98-49, approving the 1999 Fiscal Year Budget (November 12, 1999).

**KEY FEATURES:**

- ◆ This purchase contract of twenty-seven CNG Orion buses (1994) is for an amount not to exceed \$5,900,000.
- ◆ These buses are already equipped with air-conditioning systems, high-back seats, luggage racks, carpeting, and bicycle racks, making them consistent with the new Sound Transit buses.
- ◆ These buses have been providing services on the *Seattle Express* route by Pierce Transit since 1994. No additional training for operators and mechanics will be required.
- ◆ These buses are equipped with L10 Cummins CNG engines which meet or exceed the emission standard established by the Clean Air Act.
- ◆ Sound Transit paint and design will be applied to these buses consistent with the other Sound Transit buses.

**FUNDING:**

The 1998 budget included \$72 million for bus procurement. By purchasing used Pierce Transit buses rather than leasing them, we will benefit more at the end of their life cycle to recover salvage value. Furthermore, ownership gives us the operational flexibility to use these buses beyond their depreciable life cycle.

<b>Bus Type</b>	<b>Quantity</b>	<b>Cost</b>
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	\$6 million
Total	192	\$69.3 million (\$72 million was budgeted to include related capital costs such as parts and other equipment)

**ALTERNATIVES:**

Not to conduct a sole source procurement. Secure a short-term lease and develop a procurement solicitation for procurement of the Regional Bus CNG buses.

**CONSEQUENCES OF DELAY:**

Delay of sole source procurement may cause delay of fleet preparation resulting in a longer lead-time to allocate buses for September 1999 service start-up.

**LEGAL REVIEW:**

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

## SOUND TRANSIT

### MOTION NO. M99-24

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute the sole source contract procurement of twenty-seven, 1994 CNG Orion buses from Pierce Transit in an amount not to exceed \$5,900,000.

#### Background:

Sound Transit has been providing funding for multiple Seattle Express bus trips from Tacoma to Seattle since September 1997, as part of the Regional Express early implementation strategy. Beginning this September, Sound Transit will fully assume the operations of all Seattle Express service.

In order to maximize the cost utilization of our capital funding in the Pierce County subarea, we plan to purchase twenty-seven (27) buses currently being operated by Pierce Transit. This plan will support the objective of appropriate diesel/CNG fleet mix as directed by the Board in 1998. 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.

This procurement should be approved as a sole source based on:

- ◆ No CNG 40' vehicles could be manufactured and delivered in time for the September 1999 start-up.
- ◆ These buses are needed to meet the Regional Express vehicle requirements for September, 1999 deployment as outlined in the System Plan.
- ◆ These buses are already being used for the Seattle-Tacoma service; and therefore, they have a good record of reliability.
- ◆ Pierce Transit staff is equipped and trained in CNG engine technology, resulting in no service disruption.
- ◆ These buses are already equipped with air-conditioning, high-back seats, carpeting, luggage racks, and bicycle racks, making them consistent with other new Sound Transit buses.

#### Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is authorized to enter into a contract with Pierce Transit for an amount not to exceed \$5,900,000 for the sole source procurement of twenty-seven 1994 CNG buses.

Approved by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 22<sup>nd</sup> day of April, 1999.

ATTEST:

Marcia Walker  
Marcia Walker  
Board Administrator

Paul E. Miller  
Paul E. Miller  
Board Chair