

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2004-57

Contract with New Flyer of America

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/3/04	Discussion/Possible Action to Recommend Board	Jim Edwards, Interim Director, Regional Express	(206) 398-5436
Board	6/10/04	Approval Action	Fred Chun, Project Manager, Regional Express	(206) 398-5044

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

✓ *Applicable to proposed transaction.*

OBJECTIVE OF ACTION

To purchase 16 of the 31 buses needed to meet service demand identified by the Board approved 2003 Service Implementation Plan (SIP).

ACTION

Authorize the Chief Executive Officer to execute a contract with New Flyer of America for the manufacture and delivery of 16, sixty-foot articulated low-floor diesel buses in the amount of \$8,320,000, with a contingency of \$80,000, for a total authorized contract amount not to exceed \$8,400,000.

KEY FEATURES

- Piggyback option contract to King County Metro (KCM) Transit contract MB03-01 executed in 2003 with the New Flyer of America.
- Buses are articulated low-floor models with 58 seats, 60-feet long, and equipped with low emission caterpillar diesel engines.
- Equipped with passenger amenities including recliner seats, air-conditioning, parcel racks with integrated reading lamps, and wheel chair ramps. The contract also includes fare boxes and training.
- The target delivery time is second quarter of 2005. Once KCM Transit maintenance staff completes factory inspections and service preparations, the buses will go into service.
- KCM Transit will be the operating agency and the buses will be assigned to routes serving East King subarea.
- New Flyer of America has agreed to perform the work in accordance with the terms of the contract.

- This contract meets the Federal Transit Administration (FTA) procurement guidelines in the event FTA grant funding becomes available.

BUDGET IMPACT SUMMARY

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

BUDGET DISCUSSION

The Adopted 2004 Budget includes the Bus Systemwide acquisition program (project #290). This program has a lifetime budget of \$105.7 million, of which a total of \$76.1 million has been committed. Following this purchase, a total of \$21.2 million will remain uncommitted in the program.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit's current long-term financial plan and the sub-area financial capacity. There are no additional revenues associated with this action.

BUDGET TABLE

The following table summarizes the impact of this action on the Bus Systemwide program, as detailed on page 195 of the Adopted 2004 Budget:

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

Action Item: Execute contract with New Flyer to purchase 16-60ft low-floor articulated buses buses (Project #290)

	Current Board Adopted Budget ¹ (A)	Committed To Date ² (B)	This Action ³ (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	\$ 3,605	\$ 980	\$ -	\$ 980	\$ 2,625
2 Pre-Engineering	-	-	-	-	-
3 Final Design	-	-	-	-	-
4 Right of Way	-	-	-	-	-
5 Construction	-	-	-	-	-
6 Vehicles	102,136	75,136	8,400	83,536	18,600
7 Contingency	-	-	-	-	-
8 Total Current Budget	\$ 105,741	\$ 76,116	\$ 8,400	\$ 84,516	\$ 21,225

Phase Budget Detail By Subarea

8 Snohomish County	\$ 16,289	\$ 8,082	\$ -	\$ 8,082	\$ 8,207
9 South King County	8,722	5,171	-	5,171	3,551
10 East King County	48,741	39,899	8,400	48,299	442
11 Pierce County	31,989	22,964	-	22,964	9,025
12 Total Phase	\$ 105,742	\$ 76,116	\$ 8,400	\$ 84,516	\$ 21,226

Contract Budget	Current Approved Contract Value	Spent to Date	Proposed Action	Proposed Total Contract Value
New Flyer of America	\$ -	\$ -	\$ 8,320	\$ 8,320
ST Contingency	-	-	80	80
Total	-	-	8,400	8,400
Percent Contingency	N/A	N/A	1%	1%

Notes

¹ Per the Adopted 2004 Budget, page number 195, as approved by the board in Resolution R2003-19, and amended by Resolution R2004-03, which transferred \$4.3 million to the bus acquisition program from the Small Cities project (#378)

² Committed to date represents buses acquired through May 2004

³ This action would commit to an acquisition of 16-60 foot low floor articulated buses

M/W/DBE – SMALL BUSINESS PARTICIPATION

As a transit vehicle manufacturer, New Flyer of America must submit its own DBE program and goal to the FTA. In addition, by FTA's transit vehicle procurement rules, transit vehicle manufacturers must certify to transit agencies that they have a DBE program in place. New Flyer of America has complied with FTA rules for this procurement and has indicated that DBE participation is 10% for this contract.

EEO COMMITMENT

The employees of New Flyer of America will perform the construction and assembly of the buses. Its workforce demographics are 18% women and 22% minorities. New Flyer of America will comply with all FTA EEO policies and procedures.

HISTORY OF PROJECT

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
M2004-28	Approved the procurement process for buses needed to implement the 2003 ST Express SIP.	4/1/04
R2003-18	Approved the 2003 SIP.	10/9/03
R99-30	Approved the operations and maintenance of Regional Express bus service with King County Metro Transit.	8/26/99

This contract will deliver 16 of the 31 buses planned in the 2003 SIP. The target delivery for the fleet is second quarter of 2005.

In April 2004, the Sound Transit Board authorized the procurement process for this fleet by piggybacking on the purchase options available with the KCM Transit's New Flyer bus contract MB03-01. The piggyback contract process reduces delivery time, administration costs, expedites the purchase process, and is fully eligible for the FTA grant funding. In April 2004, KCM Transit executed a letter of agreement assigning these options to Sound Transit.

Sound Transit has been operating 37, sixty-foot New Flyer low-floor articulated buses since the start of ST Express service in 1999. The new fleet will be built virtually with the same specifications with exceptions of more reliable low-emission Caterpillar engines and M-A-N axle-suspension systems.

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

CONSEQUENCES OF DELAY

Postponing this action may result in late delivery of the fleet with subsequent delay in service change implementation in 2005.

PUBLIC INVOLVEMENT

The 2003 SIP public outreach included bus related comments by the customers. This year, the SIP process was divided into two phases: service changes proposed for September 2003 and service changes proposed for 2004-2006. Public outreach on both phases of the SIP were conducted from early 2003 through the summer, and concluded with a Public Hearing on the second phase at Union Station in October 2003.

LEGAL REVIEW

JW 5/12/2004

SOUND TRANSIT

MOTION NO. M2004-57

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 of America for the manufacture and delivery of 16, sixty-foot articulated low-floor diesel buses in the amount of \$8,320,000, with a contingency of \$80,000, for a total authorized contract amount not to exceed \$8,400,000.

Background:

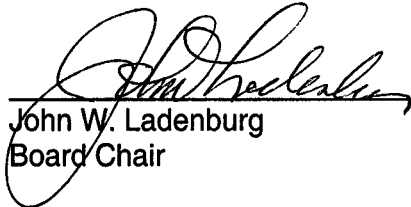
This motion is to execute a contract with New Flyer of America for the manufacture and delivery of 16, sixty-foot articulated low floor diesel buses identified in the approved 2003 Bus Service Implementation Plan. In April 2004, the Sound Transit Board authorized the fleet procurement process for this fleet by piggybacking on the purchase options available with King County Metro Transit's New Flyer bus contract MB03-01.

Sound Transit has been operating 37, sixty-foot New Flyer low-floor articulated buses since the start of the Regional Express service in 1999. The new fleet will be built virtually with the same specifications that include luggage racks, reading lamps, air-conditioning, and reclining seats. Also included are electronic fare-boxes and ADA approved wheelchair ramps. Upon delivery, this fleet will be operated by King County Metro Transit to enhance various ST Express services originating from the East King subarea.

Motion:

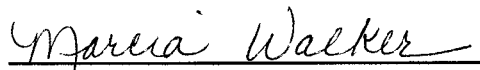
It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Chief Executive Officer is authorized to execute a contract with New Flyer of America for the manufacture and delivery of 16, sixty-foot articulated low-floor diesel buses in the amount of \$8,320,000, with a contingency of \$80,000, for a total authorized contract amount not to exceed \$8,400,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 10, 2004.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator