

**MOTION NO. M2016-03**
**Purchase of Twelve 45-foot Buses**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Operations and Administration Committee	01/07/2016	Recommend to Board	Bonnie Todd, Executive Director of Operations
Board	01/28/2016	Final Action	<b>Dave Turissini, Bus Operations Manager</b>

**PROPOSED ACTION**

Authorizes the chief executive officer to execute a contract with Motor Coach Industries to manufacture and deliver twelve 45-foot over-the-road, compressed natural gas buses in the amount of \$8,804,486, with a 5% contingency of \$440,224, for a total authorized contract amount not to exceed \$9,244,711.

**KEY FEATURES SUMMARY**

- This action authorizes the purchase of twelve compressed natural gas (CNG) powered 45-foot, 57-passenger seat buses. CNG buses reduce engine emissions and have lower operating costs over the life of the vehicle.
- Eleven of these buses are needed to implement service expansion as approved in the 2016 Service Implementation Plan and 2016 Adopted Budget. One bus will replace a similar bus destroyed by fire in 2015.
- The new buses will have a useful life of 15 years instead of the typical bus life of 12 years. The new buses are high-capacity and have reclining seats and individual overhead lighting to provide more passenger comfort; they will be operated by Pierce Transit.
- The amount requested includes the cost of the base unit price, options that include security cameras, passenger reading lights, seat upgrades, new style farebox, pre-wiring for on-board mobile communication systems, and sales tax.
- Sound Transit will purchase the vehicles from the schedule in the WA State DOT Heavy Duty Transit Vehicles contract. Production of the buses would begin in September of 2016 with delivery expected in November 2016, which is the typical lead time for MCI bus production.

**BACKGROUND**

The 2016 Adopted Budget provides funds for the purchase of eleven buses to implement service expansions in 2016 and 2017. The twelfth bus will be purchased out of the Fleet Replacement Program to replace a bus that was destroyed by fire and was not salvageable.

Decisions to purchase buses are made in consultation with operating partner agencies and are based on service needs, sustainability goals, passenger comfort and costs. Bus purchases are outlined in Sound Transit's annual Service Implementation Plan, Appendix B Fleet Planning.

CNG buses fit with Sound Transit's overall sustainability goals. Compared to conventional 45-foot diesel buses, CNG buses produce about 30% fewer greenhouse gas emissions. Additionally these buses will run on locally produced renewable natural gas.

## FISCAL INFORMATION

This action would procure 12 CNG buses funded from two projects. Eleven buses will be funded by the new ST Express Fleet Expansion project in support of increased peak hour bus support. The 2016 lifetime budget for the ST Express Fleet Expansion project, vehicle phase is \$26,184,555. Upon the Board's approval of this action of \$8,474,319 there would be \$17,710,236 remaining to fund the final 16 buses in support of approved increased service hours. Sufficient funds remain after the approval of this action to fund the remaining 16 buses required to support the increased service hours.

One bus will be purchased from the ST Express Fleet Replacement program as this vehicle was within its useful life, but was damaged beyond repair by fire in October 2015. The ST Express Fleet Replacement Program vehicle phase is \$189,222,030 and the YTD project expenses and commitments are \$117,936,841. Upon the Board's approval of this action of \$770,393, the remaining budget would be \$70,514,797.

Sound Transit buses are covered through our transit partners' vehicle replacement insurance, the proceeds of the insurance result in a net cost to the Agency for this vehicle of \$133,804. The proceeds from the insurance will be recognized as miscellaneous revenue and the full cost of the bus is recognized in the ST Express Fleet Replacement project.

The budget table below illustrates the budget impact of this action.

<b>ST Express Fleet Expansion</b>		2016 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration					-	-
Preliminary Engineering					-	-
Final Design					-	-
Right of Way					-	-
Construction					-	-
Construction Services					-	-
Third Party Agreements					-	-
Vehicles		26,185		8,474	8,474	17,710
Contingency					-	-
<b>Total Current Budget</b>		<b>26,185</b>	-	<b>8,474</b>	<b>8,474</b>	<b>17,710</b>
<b>Phase Detail</b>						
<b>Vehicles</b>						
Vehicle Acquisition		26,185		8,474	8,474	17,710
<b>Total Phase</b>		<b>26,185</b>	-	<b>8,474</b>	<b>8,474</b>	<b>17,710</b>
<b>ST Express Fleet Replacement</b>						
		2016 TIP	Board Approvals	This Action	Board Approved Plus Action	Uncommitted / (Shortfall)
Agency Administration					-	-
Preliminary Engineering					-	-
Final Design					-	-
Right of Way					-	-
Construction		47	47		47	-
Construction Services					-	-
Third Party Agreements					-	-
Vehicles		189,222	117,937	770	118,707	70,515
<b>Total Current Budget</b>		<b>189,269</b>	<b>117,984</b>	<b>770</b>	<b>118,754</b>	<b>70,515</b>
<b>Phase Detail</b>						
<b>Vehicles</b>						
Vehicle Acquisition		189,222	117,937	770	118,707	70,515
<b>Total Phase</b>		<b>189,222</b>	<b>117,937</b>	<b>770</b>	<b>118,707</b>	<b>70,515</b>
<b>Contract Detail</b>						
<b>Motor Coach Industries (MCI)</b>						
		Board Approvals to Date	Current Approved Contract Status	Proposed Action	Proposed Total for Board Approval	
Contract Amount - ST Express Fleet Expansion		-	-	8,071	8,071	
Contract Amount - ST Express Fleet Replacement		-	-	734	734	
<b>Contract Amount - Total</b>		-	-	<b>8,804</b>	<b>8,804</b>	
Contingency - ST Express Fleet Expansion		-	-	404	404	
Contingency - ST Express Fleet Replacement		-	-	37	37	
<b>Contingency - Total</b>		-	-	<b>440</b>	<b>440</b>	
<b>Total</b>		-	-	<b>9,245</b>	<b>9,245</b>	
Percent Contingency		0%	0%	5%	5%	

## **SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION**

As a transit bus manufacturer, MCI must submit its own Disadvantaged Business Enterprise (DBE) program and goal to the Federal Transit Administration, and according to FTA's transit bus procurement rules, transit bus manufacturers must certify to transit agencies that they have a DBE program in place. MCI has certified that they have a DBE program and complied with FTA rules for participation in this procurement.

## **PUBLIC INVOLVEMENT**

Not applicable to this action.

## **TIME CONSTRAINTS**

A one month delay would delay the delivery schedule of the new buses needed for expanded service in September 2016. Older buses will be used as a stop-gap measure to support the 2016 service schedule until the new buses arrive.

## **ENVIRONMENTAL REVIEW**

Jl 12/22/2015

## **LEGAL REVIEW**

JW 12/29/2015

**MOTION NO. M2016-03**

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a contract with Motor Coach Industries to manufacture and deliver twelve 45-foot over-the-road, compressed natural gas buses in the amount of \$8,804,486, with a 5% contingency of \$440,224, for a total authorized contract amount not to exceed \$9,244,711.

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**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 Motor Coach Industries to manufacture and deliver twelve 45-foot over-the-road, compressed natural gas buses in the amount of \$8,804,486, with a 5% contingency of \$440,224, for a total authorized contract amount not to exceed \$9,244,711.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 28, 2016.

  
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Marilyn Strickland  
Board Vice Chair

ATTEST:

  
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Kathryn Flores  
Board Administrator