

COUNCIL ACTION FORM

SUBJECT: PURCHASE OF FOUR ARTICULATED BUSES

BACKGROUND:

In 2014, the Federal Transit Administration awarded the last discretionary grant opportunity from the previous transportation bill under a program called “Ladders of Opportunity” to CyRide for the purchase of four 60’ articulated buses. The capital/grant budget for this bus purchase is as follows:

Federal Funding (85%)	\$2,550,000
Local Funding (15%)	<u>\$450,000</u>
Total Capital Investment	\$3,000,000

The transit system in Austin, Texas completed an articulated bus bid which included future year’s options. In discussions with this transit system, it is willing to transfer ownership of four options to CyRide to purchase vehicles from the same manufacturer as CyRide’s current articulated buses – NOVA Bus. Purchasing buses in this manner fulfills the requirements for the local and federal competitive bid process, and at the same time standardizes CyRide’s fleet and reduces administrative time and expense to complete a new bus bid.

While final price negotiations are currently in progress, at its February 18, 2015 meeting the Transit Board of Trustees approved purchase of four 60’ articulated buses from NOVA Bus in Plattsburgh, New York in an not-to-exceed grant amount of \$3,000,000. Current delivery schedules are approximately 18 months from the time of award.

The local share of \$450,000 for this bus purchase is included in the 2015-2020 Capital Improvement Plan over two budget years – next year (FY 2015-16) and the following year (FY 2016-17). CyRide will have accumulated the local share of \$450,000 dollars by the time the buses are delivered and payment is required (anticipated for Summer-Fall 2016).

ALTERNATIVES:

1. Approve a contract with NOVA Bus of Plattsburgh, New York at a not-to-exceed amount of \$3,000,000 for the purchase of four 60’ buses.
2. Do not approve a contract for the purchase of these buses.

MANAGER'S RECOMMENDED ACTION:

CyRide will have sufficient local funding to complete this purchase at the time the buses are delivered. This bus purchase will add an additional four new articulated buses to the fleet at the lowest possible cost, allowing for the agency to keep pace with its ridership growth and resulting increased bus need. These new buses will also assist in keeping the average fleet age as low as possible.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract with NOVA Bus for a not-to-exceed amount of \$3,000,000.