

COUNCIL ACTION FORM

SUBJECT: CYRIDE HEAVY DUTY BUS PURCHASE

BACKGROUND:

On July 1, 2009, CyRide received Federal Transit Administration (FTA) funding to purchase one 40' heavy duty transit bus to provide service to the new Furman Family Aquatic Center. Funding of the bus was approved through the FTA New Freedom program at 83% federal participation.

Purchase of this bus will bring the total number of buses on order with the Gillig Corporation to fifteen. If approved, this bus would likely be built and delivered in late 2010 or early 2011. The transit system believes it would be beneficial to order the bus now rather than deferring it until the next large bus order, which would likely occur in the fall of 2010 for delivery 12-18 months later. The next large bus order would be subject to uncertain federal funding and price adjustments by the manufacturer.

The Ames Transit Agency Board of Directors approved this bus purchase at its August 19, 2009 meeting. Purchase of this bus would be subject to concurrence with award from the Iowa Department of Transportation Office of Public Transit. A summary budget can be found in the table below.

Bus Type	# of Buses	Cost/Bus	Total Cost	Federal Share	Local Share
40' Heavy Duty (Expansion)	1	\$384,000	\$384,000	\$318,720	\$65,280
TOTAL	1		\$384,000	\$318,720	\$65,280

CyRide's current capital closing balance has adequate funding to purchase this vehicle. The remainder of the closing balance is set aside for smaller capital purchases and match funds needed for future building repair and construction projects. Grants have been received for these facility projects and the local funding is committed to them.

CyRide is part of the Akron, Ohio national bus purchase consortium and has 11 remaining bus options able to be awarded to Gillig Corporation. CyRide will quickly be able to award this purchase at the same price as the last group of buses ordered in May 2009.

ALTERNATIVES:

1. Approve contract award to Gillig Corporation of Hayward, CA for the purchase of one 40' standard diesel heavy duty transit bus at a contract amount not to exceed \$384,000.
2. Do not approve the purchase of the bus.

MANAGER'S RECOMMENDED ACTION:

Approval of this purchase will help CyRide provide service to the new Furman Family Aquatic Center while maintaining service levels to the rest of the community.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 approving the purchase of one 40' standard diesel heavy duty transit bus at a cost not to exceed \$384,000.