

COUNCIL ACTION FORM

SUBJECT: PURCHASE OF SIX BUSES FROM GILLIG CORPORATION

BACKGROUND:

Over the last year, CyRide has received \$5,103,660 in two national grants and one State of Iowa bus funding allocation to purchase vehicles. The details of this funding are shown below:

<u>Funding Source</u>	<u>Quantity</u>	<u>Type</u>	<u>Federal Dollars</u>	<u>Local Dollars</u>
State of Good Repair Grant	10	40'	\$3,528,000	\$392,000
Clean Fuels	2	Artic.	\$1,256,940	\$139,660
Section 5309	<u>1</u>	40'	<u>\$318,720</u>	<u>\$65,280</u>
TOTAL	13		\$5,103,660	\$596,940

The above buses will be purchased over the next two years with the purchase of **six buses in the current fiscal year** and the remaining seven in the 2011/12 budget. Note that the 2011/12 purchase will include two articulated buses under the Clean Fuels grant. This year's purchase, totaling \$2,344,000, is as follows:

<u>Vehicles</u>	<u>Quantity</u>	<u>Federal Dollars</u>	<u>Local Dollars</u>
State of Good Repair	5	\$1,764,000 (90%)	\$196,000 (10%)
State of Iowa - Section 5309	<u>1</u>	<u>\$ 318,720</u> (83%)	<u>\$ 65,280</u> (17%)
TOTAL	6	\$2,082,720	\$261,280

These buses will be purchased through an existing bid/award with Gillig Corporation as a result of a Request For Proposal (RFP) completed by the Akron, Ohio, transit system. CyRide was named in this RFP and can purchase vehicles under this bid per Federal Transit Administration regulations. This process was used to purchase the Cybrid buses in 2009.

CyRide currently has a local Capital Closing Balance of \$1,177,643 and has sufficient funding to purchase these vehicles as well as meet its other capital needs as documented in the City's Capital Improvement Plan.

The Ames Transit Agency Board of Trustees approved the purchase of these vehicles at its December 7, 2010 meeting.

ALTERNATIVES:

1. Approve a contract with Gillig Corporation for a cost not to exceed \$2,344,000 for the purchase of six 40' buses.
2. Do not approve the contract.

MANAGER'S RECOMMENDED ACTION:

Approval of this contract will bring six new, cleaner emission vehicles to the Ames community. These vehicles will replace six of CyRide's oldest buses in the fleet, and will be an important sustainability step for CyRide.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a contract with Gillig Corporation for a cost not to exceed \$2,344,000 for the purchase of six 40' buses.