

COUNCIL ACTION FORM

SUBJECT: CYRIDE PURCHASE OF SIX BUSES FROM GILLIG CORP. OF HAYWARD, CALIFORNIA FOR \$2,491,785

BACKGROUND:

CyRide has secured federal discretionary grants for the purchase of six buses at a federal funding share of 83%. A national bus bid, prepared by the Minnesota Department of Transportation (MDOT), is also available through December 31, 2013 for purchase of these vehicles. The Gillig Corporation is an approved vendor under the MDOT bid and has quoted CyRide a per bus price of \$415,297.50, for a total cost for six buses at \$2,491,785. This price is available through December 31, 2013 and will increase after this date. A majority of CyRide's current buses were manufactured by Gillig Corporation and the purchase of additional buses from this manufacturer will allow CyRide to operate a more standardized fleet, increasing safety through driver vehicle familiarity and lower parts inventory expenditures.

The 17% local share for these vehicles is \$423,603 and is included in CyRide's capital budget. Currently, CyRide has a local capital fund balance of \$920,854. Three of these buses are included in the current Capital Improvement Plan and the last three included in the 2015-2019 plan. **If awarded, these vehicles would be scheduled for delivery, and payment made, during the summer of 2015.**

The Transit Board of Trustees approved purchase of these vehicles at their December 6, 2013 meeting.

ALTERNATIVES:

1. Approve a contract with Gillig Corporation of Hayward, California for \$2,491,785 for the purchase of six 40' buses.
2. Do not approve a contract for the purchase of buses.

MANAGER'S RECOMMENDED ACTION:

CyRide has sufficient local funding to complete this purchase. Also, this bus purchase will add six additional new 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 Gillig Corporation for \$2,491,785.