

ITEM #: 19
DATE: 09-24-24
DEPT: TRANSIT

COUNCIL ACTION FORM

SUBJECT: **CONTRACT FOR PURCHASE OF ARTICULATED BUSES**

BACKGROUND:

CyRide began operating 60’ articulated buses in 2012, primarily on the #23 Orange route to accommodate its high ridership. These buses offer 50% more capacity compared to a standard 40’ bus. CyRide’s goal is to have ten articulated buses in the fleet to enable the #23 Orange route to operate exclusively with this type of vehicle. CyRide currently has eight articulated buses, all manufactured by Nova Bus.

CyRide received a federal Section 5339 Bus & Bus Facilities discretionary grant to replace two 40’ buses with two 60’ articulated buses. To support this purchase, CyRide combined the Section 5339 funding with Surface Transportation Block Grant (STBG) and Section 5307 grant funding, aligning with goals set in the Capital Improvements Plan (CIP). A summary of the funding reserved is shown below.

| | Funding | Federal Share | Local Share | Total Cost |
|------------------------------|----------------|----------------------|--------------------|--------------------|
| Section 5539 (85%) | 85% | \$966,874 | \$170,626 | \$1,137,500 |
| Section 5307 (85%) | 85% | \$183,866 | \$32,447 | \$216,313 |
| STBG Grants (80%) | 80% | \$491,142 | \$122,786 | \$613,928 |
| Total Funds Available | 83% | \$1,641,882 | \$325,859 | \$1,967,741 |

Since CyRide’s last articulated bus purchase, Nova Bus has announced it is stopping production in the United States, which prevents CyRide from utilizing federal funds to purchase its buses due to Buy America regulations. This leaves a single articulated bus manufacturer in the United States, New Flyer of America. New Flyer has been producing buses since 1937. CyRide has test-driven New Flyer’s articulated bus, and the Maintenance Division has evaluated New Flyer’s build quality, mechanical reliability, and performance. The Maintenance and Operation Divisions have determined that New Flyer’s articulated bus meets CyRide’s requirements.

CyRide has evaluated procurement options and determined that utilizing the Commonwealth of Virginia’s Heavy-Duty Transit Bus procurement would provide the best value. CyRide requested pricing from New Flyer with appropriate options for CyRide service, resulting in an initial quote per bus of \$972,010. Additional technologies, such as automatic vehicle location hardware, annunciators, and automatic passenger counters, are being considered for these buses and will be maintained within the overall project budget. CyRide will continue to refine bus specifications until approximately six months before the vehicles are built, at which point, the manufacturer will provide updated pricing. Since vehicle pricing is not finalized until late in the process, CyRide is requesting approval of award of contract to New Flyer of America, Inc. of St. Cloud, Minnesota, for a total not-to-exceed amount of \$1,967,741. Delivery is anticipated in the first quarter of 2026.

The Transit Board of Trustees approved the award of contract to New Flyer of America, Inc. at its September 19, 2024, meeting.

ALTERNATIVES:

1. Approve award of contract for two 60' articulated buses to New Flyer of America, Inc. of St. Cloud, Minnesota, for a total not-to-exceed amount of \$1,967,741.
2. Do not approve award of contract for the purchase of new 60' articulated buses.

CITY MANAGER'S RECOMMENDED ACTION:

Award of this contact will enable CyRide to move closer to the goal of operating the #23 Orange route exclusively with this type of vehicle. These buses will also help CyRide maintain the fleet in a state of good repair, as required by the Federal Transit Administration, and improve overall sustainability. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.