

ITEM #: 30
DATE: 04-08-25
DEPT: TRANSIT

COUNCIL ACTION FORM

SUBJECT: **ARTICULATED BUS PURCHASE CHANGE ORDERS**

BACKGROUND:

At the City Council meeting on September 24, 2024, the City Council approved the purchase of two 60' articulated buses from New Flyer of America Inc. of St. Cloud, Minnesota, for a base price of \$972,010 per bus. Since vehicle pricing is not finalized until late in the purchase process, the contract was approved with a not-to-exceed amount of \$1,967,741. The funding sources approved for this project are summarized below.

Funding Source	Federal	Federal Share	Local Share	Total
Section 5339	85%	\$966,874	\$170,626	\$1,137,500
Section 5307	85%	\$183,866	\$32,447	\$216,313
STBG Grants	80%	\$491,142	\$122,786	\$613,928
Total Project Budget	83%	\$1,641,882	\$325,859	\$1,967,741

Following City Council approval, New Flyer notified CyRide of an error in the original quote, resulting in the base bus price increasing by \$4,646.56 per vehicle, for a total cost change of \$9,293.12.

CyRide has been working with New Flyer to finalize specifications and standardize the vehicle design with the rest of the fleet. To date, \$108,342.58 in changes have been identified, which are included in the Council packet. The largest of these is an upgrade from a carbon steel chassis to a stainless steel chassis at a cost of \$33,588.74 per bus. This upgrade is important for long-term durability, as CyRide operates vehicles well beyond their designed useful life of 12 years.

An additional \$84,621.58 in local funding is required to support these change orders. Staff has evaluated the project budget and recommends using funds from the 40' Bus Replacement Reserve Fund to support the budget shortfall. The updated budget is shown below.

Funding Source	Federal	Federal Share	Local Share	Total
Section 5339	85%	\$966,874	\$170,626	\$1,137,500
Section 5307	85%	\$183,866	\$32,447	\$216,313
STBG Grants	80%	\$491,142	\$122,786	\$613,928
40' Bus Replacement Reserve Fund			\$84,621.58	\$84,621.58
Revised Total Project Budget		\$1,641,882	\$410,480.58	\$2,052,362.58

The buses are scheduled to begin production in August 2025. While the specification process is ongoing, some proposed changes require early approval due to associated engineering and supply chain lead times. Although the remaining changes are expected to be limited, the total cost may increase slightly as final specifications are completed and any additional required changes are identified.

The Transit Board of Trustees approved the requested change order and increased the contract

total to \$2,052,362.58 for New Flyer of America Inc. at their meeting on March 27, 2025.

ALTERNATIVES:

1. Approve the proposed change orders and establish a new contract amount of \$2,052,362.58 for the purchase of two 60' articulated buses with New Flyer of America Inc. of St. Cloud, Minnesota.
2. Do not approve the requested change order.

CITY MANAGER'S RECOMMENDED ACTION:

The requested specification changes will ensure that the new articulated buses are consistent with CyRide's fleet and built for long-term durability. The upgrades support CyRide's Transit Asset Management goals and move the system closer to operating the #23 Orange route exclusively with articulated vehicles, improving efficiency, capacity, and overall sustainability. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.

ATTACHMENT(S):

[Articulating Bus Change Order List.xlsx](#)