

**City of Culver City, California
Agenda Item Report**

Meeting Date: 05/02/11		Item Number: <u>C-1</u>	
CITY COUNCIL AGENDA ITEM: Authorization to Award a Contract to New Flyer of America for the Purchase of Twenty (20) Advanced Design, Heavy-Duty, Low Floor Compressed Natural Gas (CNG) Powered Forty-Foot Transit Buses and Optional Equipment in the Amount not to Exceed \$11,107,950			
Contact Person/Dept.: Paul Condran / Transportation		Phone Number: (310) 253-6520	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: Agendas and Meetings – City Council (04/27/11)			
Department Approval: Art Ida (04/21/11)		City Attorney Approval: Carol Schwab (by H. Baker) (04/27/11)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (04/27/11)		City Manager Approval: John M. Nachbar (04/27/11)	
<u>RECOMMENDATION:</u> Staff recommends the City Council authorize the purchase of twenty (20) CNG powered low floor, advanced design buses and optional equipment from New Flyer of America, Inc. in an amount not to exceed \$11,107,950. This amount includes California State sales tax of \$907,424, which the City will submit directly to the State Board of Equalization, and a five percent (5%) contingency to cover any unforeseen expenses that might arise during production. <u>BACKGROUND:</u> In 2004, Culver CityBus was the first public transit provider in Los Angeles County to become 100% alternative fuel compliant. The Transportation Department is an industry leader in the use and application of natural gas fuels for buses and vehicles. Culver City is compelled to comply with the South Coast Air Quality Management District's (SCAQMD) clean air rules for transit buses that dictate the use of an alternative fuel over traditional diesel fuel. The City and the Transportation Department have committed to the use of Compressed Natural Gas (CNG) as the fuel of choice for our fleet. The Transportation Department's bus fleet is comprised of twenty (20) 1998 CNG powered buses, twelve (12) 2001 CNG powered buses, six (6) 2003 CNG powered buses, eight (8) 2004 and six (6) 2009 CNG powered buses, all of which were manufactured by New Flyer. We are seeking to replace twenty (20) 1998 buses that have reached the end of their federal life cycle of 12 years. These buses have engines which are no longer in production and have met the expectations required of a heavy duty transit vehicle.			

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The new buses will be the first generation of a new advanced technology, operationally efficient CNG powered vehicle produced by the manufacturer.

The new Xcelsior is equipped with numerous features which will provide easier maintenance and operational characteristics. It will have many new integrated technical and operational systems built into the vehicle platform which will create greater efficiencies, passenger comforts and improved fuel economy because of its lighter weight. The use of electronics (instead of mechanical) to operate engine cooling, heating and A/C systems will also help to reduce vehicle noise. Culver City Bus is scheduled to be the first transit property to take delivery of this new transit bus unique with a new design and footprint.

DISCUSSION:

Using a common transportation industry practice, the Transportation Department has an opportunity to purchase these buses using another transit agency's contract procurement and therefore execute a "piggy-back" acquisition. In planning for the replacement of the twenty 1998 buses, staff contacted the OmniTrans Transportation Authority (in the Inland Empire) and submitted a request to be included in their open and competitive procurement of 90 CNG powered, heavy-duty transit buses which they awarded to New Flyer of America under a five-year contract, #MNT08-3A.

Exercising a "piggy-back" acquisition for transit vehicles is permissible within the procurement rules of the Federal Transportation Administration (FTA) providing that the original contract language stipulates an Assignability of Options, and that the requesting agency enters into a separate contract with the awarding manufacturer. This is also a permissible procedure per Culver City Municipal Code § 3.07.045.G.

New Flyer of America has fully complied with the requirements, technical specifications and supportive documentation of the OmniTrans Request for Proposal and all federal language and procurement documents have been received by Transportation staff. Since the Transportation Department already operates a fleet of New Flyer CNG powered buses, training, parts and operational use not only helps the City's fleet standardization efforts, it will also prove to be economically beneficial.

FISCAL ANALYSIS:

Sufficient grant funds to pay for the entire purchase are appropriated in the Transportation Department's Budget Account Number 20368300.732100, and have been attained from the following sources:

FTA 5307 Grant Funds:	\$8,584,268
FTA 5309 Grant Funds	\$1,415,732
Proposition 1B PTMISEA Grant Fund	\$ 714,178

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LAMTA Bridge Fund

\$ 393,772

No General Fund monies will be used for this acquisition.

ATTACHMENTS:

None

MOTION:

1. Authorize the Purchasing Officer to issue a purchase order in the amount of \$11,107,950, to New Flyer of America Incorporated, for the acquisition of twenty (20) new and unused CNG powered forty-foot (40') low floor heavy duty advanced design transit buses and optional equipment; and
2. Authorize the City Attorney to review/prepare the necessary documents; and
3. Authorize the City Manager to execute such documents on behalf of the City.