

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 04/07/08		Item Number: <u>A-5</u>	
AGENDA ITEM: Authorization to Purchase Six Advanced Design, Heavy-Duty, Low Floor, Compressed Natural Gas (CNG) Powered, Forty-Foot Transit Buses and Optional Equipment in an Amount not to Exceed \$3,341,832.			
Contact Person/Dept.: Paul Condran/Transportation		Phone Number: (310) 253-6520	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Public Notification: Master Notification List (04/02/08); New Flyer of America (03/10/08)			
Department Approval: Art Ida (03/27/08)		City Attorney Approval: Carol Schwab (by H. Baker) (03/31/08)	
Fiscal Impact Review: Jeff Muir (by M. Noller) (04/01/08)		City Manager Approval: Jerry B. Fulwood (04/02/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council authorize the purchase of six (6) CNG powered low floor, advanced design buses and optional equipment from New Flyer of America, Inc. in an amount not to exceed \$3,341,832. This amount includes California State sales tax of \$175,680 which the City will submit directly to the State Board of Equalization, and a ten percent (10%) contingency to cover any unforeseen expenses that might arise during production. A budget amendment is required to appropriate the grant funds. A Budget Amendment Requires a 4/5th Vote. <u>BACKGROUND:</u> Culver CityBus is the first public transit provider in Los Angeles County to be 100% alternative fuel compliant. 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 as the fuel of choice for our fleet. The Transportation Department's fleet is comprised of twenty 1998 CNG powered buses, twelve 2001 CNG powered buses, six 2003 CNG powered buses and eight 2004 CNG powered buses, all of which were manufactured by New Flyer. In 2003, the Transportation Department designed, developed and assembled its own			

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set of specifications for the purchase of new buses. The Department followed all mandated Federal Transit Administration (FTA) guidelines through the procurement process. On October 27, 2003, the City Council authorized a contract with New Flyer of America for the procurement.

The contract was issued for a total of 100 new buses. This amount included the eight buses being purchased at the time by the City, and "options" for an additional 92 buses over the five-year life of the contract. This quantity of buses satisfied our current needs and allowed Culver City the option to place additional orders to meet the projected future growth of the Department.

DISCUSSION

This purchase of six additional CNG powered buses is necessary for the expansion of Culver CityBus transit service to include Bus Rapid Transit (BRT) operations on Sepulveda Boulevard, which will go into effect in January 2009. As the noted procurement contract indicates, staff would like to exercise the option to purchase six (6) buses at this time.

The Transportation Department already operates a complete fleet of New Flyer CNG powered buses. Therefore, training, parts and other operational considerations that come with fleet standardization will prove to be economically beneficial.

FISCAL ANALYSIS:

Sufficient grant funds to pay for the entire purchase have been obtained from the following sources:

- Federal Transit Administration SAFETEA-LU earmark: \$2,096,000
- California Proposition 1B Transit Security Grant funds: \$137,546
- Los Angeles County Proposition C MOSIP funds: \$1,108,286

Funding is also being sought through a Clean Transportation Funding grant from the MSRC (Mobile Source Emission Reduction Committee) of the South Coast Air Quality Management District. Our application is in the amount of \$150,000, and, if awarded, would offset a portion of the procurement costs identified above.

No General Fund monies will be used for this procurement.

MOTION:

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That the City Council:

1. Approve a budget amendment to increase the Transportation Department budget (20368300.732100) by \$3,341,832 to appropriate the grant funds.

A Budget Amendment Requires a 4/5ths Vote.

2. Authorize the issuance of a purchase order in an amount not to exceed \$3,166,152 to New Flyer of America, Inc. for the acquisition of six (6) new CNG powered forty-foot (40'), low floor, heavy duty advanced design transit buses and optional equipment.

3. Authorize the Director of Transportation to Issue a Notice to Proceed to New Flyer of America, Inc.

4. Authorize the City Attorney's office to review/prepare all necessary documents and authorize the City Manager to execute such documents on behalf of the City.