



Agenda Item No. 1.b.

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of September 10, 2009

From: Teri Wheeldon Mantony, Deputy General Manager, Bus  
Gayle Prior, Capital and Grants  
Celia G. Kupersmith, General Manager

**Subject: AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**  
**b) BUDGET INCREASE IN THE FY 09/10 BUS TRANSIT DIVISION**  
**CAPITAL BUDGET RELATIVE TO CONTRACT NO. 2010-BT-6,**  
**THIRTY-FIVE FOOT HYBRID BUSES, TO NEW FLYER ON BEHALF**  
**OF THE MARIN COUNTY TRANSIT DISTRICT**

### **Recommendation**

This matter is being presented to the Finance-Auditing Committee to receive the Committee's concurrence for a budget increase relative to Agenda Item No. 3, of the Transportation Committee Meeting of September 10, 2009.

The Finance-Auditing Committee recommends the Board of Directors authorize a budget increase in the FY 09/10 Bus Transit Division Capital Budget in the amount of \$295,000 to be funded with \$236,000 Federal Transit Administration (FTA) grant funds and \$59,000 local funds from Marin County Transit District (MCTD), subject to MCTD funding availability, relative to approval of actions regarding Contract No. 2010-BT-6, *Thirty-Five Foot Hybrid Buses*.

### **Summary**

The District is under contract to provide MCTD's local Marin service. The contract between MCTD and the District includes language addressing the purchase of new and replacement equipment needed to serve the customers of MCTD. MCTD was informed of the opportunity for the District to "piggyback" on WMATA's contract with New Flyer of America for up to seven (7) thirty-five foot hybrid buses and approved the purchase at its February 2008 Board meeting. Because the buses will be used exclusively on Marin local routes, the buses will be 100% funded by a combination of funds from FTA, Prop 1B funds and the MCTD. If MCTD is unable to fully fund its share of the procurement, the District will purchase 6 buses and the budget increase will not be necessary.

Using hybrid buses is anticipated to reduce fuel consumption and vehicle emissions. Depending on the service area, hybrids can be expected to provide anywhere from five (5%) to twenty percent (20%) improved fuel economy and emit 50-90% less particulate matter and 30-40% less oxides of nitrogen (NOx). Providing thirty-five foot hybrid buses on Marin local routes, this will provide adequate seating capacity and the low floor configuration will also allow for easier passenger loading and faster wheelchair boarding times.

The purchase price for the buses is estimated to be approximately \$597,460.31 per bus, which includes Americans with Disabilities Act (ADA) equipment, delivery and sales tax. The miscellaneous spare parts package is estimated at \$245,805.37, including sales tax. The balance of the funding will be used as a contingency fund for expenditures normally associated with a typical bus procurement. Prior to executing a contract, District staff will conduct a cost/price analysis to ensure that the pricing is fair and reasonable.

The FTA allows agencies to “piggyback” on another recipient’s procurement to purchase equipment using the contractual documents and process of an earlier contract for the same equipment, provided FTA regulations are followed.

The District may piggyback on contracts that were let pursuant to a process that conformed to the State and Federal laws that apply to the District’s procurement of buses. Under State law, the District is permitted to purchase buses through a Request for Proposals (RFP) like the one utilized by WMATA upon a finding by two thirds vote of the District Board that a traditional low-bid process is not an adequate method of procurement for the District’s needs. Using a piggyback process this will provide an efficient and cost-effective means to implement this capital purchase. It allows for delivery as early as June 2010 with an “in service” date as early as July 2010. The District’s Attorney supports the District’s use of a piggyback process, and has confirmed that the underlying WMATA procurement process conformed to all State and Federal regulations.

### **Fiscal Impact**

This project is included in the FY 09/10 Bus Transit Capital Budget at a total cost of \$4,333,000 and is funded with \$3,441,672 FTA grant funds, \$872,020 State I-Bond grant funds, and \$19,308 Marin Transit District local funds. A project budget increase in the amount of \$295,000 funded with \$236,000 additional FTA funds and \$59,000 additional Marin Transit District local funds is required to fully fund this project at the proposed budget of \$4,628,000.