



(For Board Meeting of September 11, 2009)

SUMMARY OF RECOMMENDATIONS
TRANSPORTATION COMMITTEE/COMMITTEE OF THE WHOLE
THURSDAY, SEPTEMBER 10, 2009
(CHAIR HAROLD C. BROWN, JR.)

Item No. 1

Authorize award of a contract to Motor Coach Industries, Inc., in the amount of \$12,945,832.92, for the purchase of 23 forty-five foot diesel inter-city configuration coaches and associated spare parts; authorize the sole source purchase of fareboxes with GFI Genfare in the amount of \$365,730.00; and, all other related actions as outlined in the staff report.

Action by the Board – Resolution

Item No. 2

Authorize the purchase of up to 7 thirty-five foot hybrid buses with New Flyer, on behalf of the Marin County Transit District, and all others related actions as outlined in the staff report.

Action by the Board – Resolution



Agenda Item No. 2

To: Transportation Committee/Committee of the Whole
Meeting of September 10, 2009

From: Gene Walker, Director of Bus Maintenance
Teri Wheeldon Mantony, Deputy General Manager, Bus Division
Celia G. Kupersmith, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO AWARD OF CONTRACT NO. 2009-BT-1, FORTY-FIVE FOOT DIESEL INTER-CITY CONFIGURATION COACHES, TO MOTOR COACH INDUSTRIES, INC.**

Recommendation

The Transportation Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2009-BT-1, *Forty-Five Foot Diesel Inter-City Configuration Coaches*:

1. Authorize the award of Contract No. 2009-BT-1, *Forty-Five Foot Diesel Inter-City Configuration Coaches*, to Motor Coach Industries of Schaumburg, Illinois (MCI), in the amount of \$12,945,832.92 for the purchase of 23 coaches and associated spare parts, subject to a Federal Transit Administration -required pre-award audit and the successful completion of a price/cost analysis;
2. Authorize the sole-source purchase of fareboxes for installation on MCI coaches direct from GFI Genfare, a unit of SPX Corporation, in the amount of \$365,730;
3. Establish a project contingency fund of 5% of the contract in the approximate amount of \$617,603; and
4. Authorize a FY 09/10 capital budget increase for this project in the amount of \$2,453,650 to be funded with \$1,962,920 Federal Transit Administration (FTA) grant funds and \$490,730 from District reserves.

This matter will be presented to the Finance-Auditing Committee at its September 10, 2009, meeting for concurrence and to the Board of Directors at its September 11, 2009, meeting for appropriate action.

Summary

On a regularly scheduled basis, the District replaces its coaches based on FTA and the Metropolitan Transportation Commission's grant funding guidelines. The District has identified 29 forty-foot model coaches that have exceeded their useful life, as defined by FTA, and are eligible for replacement. Based on commute passenger loads and customer requests, the 40-foot coaches will be replaced by 45-foot coaches, which have additional seating capacity.

On June 12, 2008, the Board authorized a competitive negotiation process for Contract No. 2009-BT-1, Forty-Five Foot Intercity Configuration Coaches. Proposal documents were mailed to 15 firms. One proposal was received, from MCI. Staff entered into negotiations with MCI and successfully negotiated significant price reductions, totaling almost \$100,000 per coach. In particular, staff determined that MCI was charging a high mark-up on the required fareboxes and that the District could save approximately \$363,461 by purchasing the fareboxes directly from the manufacturer instead of through the contract with MCI.

After completing negotiations, MCI submitted a modified cost proposal as follows:

Coach Unit Price:	\$546,293.00
Spare Parts:	\$381,093.92

In accordance with District and FTA requirements, staff will conduct a pre-award audit and cost analysis to determine that the price submitted by MCI complies with the Buy America Rule and is fair and reasonable. This is a condition of the recommendation for contract award and must be satisfactorily completed before contract execution.

Under the base contract now before the Board, the District will purchase twenty-three forty-five foot coaches. By 2014, another 46 of the District's current 45-foot coaches will reach eligibility for replacement. The contract with MCI includes options to purchase up to 65 additional coaches. These options are valid for a period of five years from the effective date of the contract. Any subsequent purchase of additional buses will be brought to the Board for authorization.

The new coaches need fareboxes and as mentioned above, the District can achieve significant cost savings by purchasing the fareboxes directly from the manufacturer. The District's Attorney has confirmed that under FTA regulations, and the District's procurement policy, such a procurement meets the requirement of a sole source purchase for a number of reasons:

- (1) The GFI fareboxes feature unique and innovative technologies that are not available from any other manufacturer of fareboxes;
- (2) The District fleet already uses GFI fareboxes and installing any other model would result in significant additional costs for, IT support, infrastructure, training, maintenance and repair, as well as be less efficient to operate;
- (3) Timing is critical, as the delivery of the fareboxes must coincide with the delivery of the buses;

- (4) The District recently completed the farebox replacement project for the same type of fareboxes, and in both the prior procurement and this solicitation, no other farebox was found to meet the District's performance requirements.

State law permits an exception from competitive procurement laws when such a process would be unavailing and not in the public agency's best interests. For all the reasons stated above, a competitive procurement process would serve no useful purpose here.

Assuming Board approval, the District will issue a purchase order in the amount of \$365,730 to the farebox manufacturer, GFI Genfare, a unit of SPX Corporation, to purchase 23 fareboxes and spare TRIM units. A cost or price analysis will be conducted to verify that the quoted price is fair and reasonable.

A contingency budget in the amount of 5%, or approximately \$617,603, is recommended. This will be used to cover unexpected expenses that may arise during the course of the contract, for example, specification modifications identified at the pre-production meeting and during bus production, as well as the purchase of additional spare parts and on-board operating equipment.

Fiscal Impact

This project is included in the FY 09/10 Bus Division Capital Budget at a total cost of \$11,476,100, and is funded with \$9,180,880 Federal Transit Administration (FTA) grant funds, \$1,264,140 State I-Bond grant funds, and \$1,031,080 District Funds (80% Federal, 11% State and 9% District). A capital budget increase in the amount of \$2,453,650 to be funded with \$1,962,920 FTA grant funds and \$490,730 from District reserves is required to fully fund this project at the proposed budget of \$13,929,750.00. The total project will be funded as \$11,143,800 FTA (80%), \$1,264,140 State I-Bond grant funds (9%), and \$1,521,810 District funds (11%).



Agenda Item No. 3

To: Transportation 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: **APPROVE ACTIONS RELATIVE TO THE AWARD OF CONTRACT NO. 2010-BT-6, THIRTY-FIVE FOOT HYBRID BUSES, TO NEW FLYER ON BEHALF OF THE MARIN COUNTY TRANSIT DISTRICT**

Recommendation

The Transportation Committee recommends that the Board of Directors make the following finding, and authorize the following actions relative to the procurement of up to seven (7) thirty-five foot hybrid buses:

1. Find that a traditional low-bid procurement process is not an adequate method of procuring hybrid buses for use on Marin County Transit District routes, and that using options assigned from another agency (“piggybacking”) to purchase these buses is the best method for this procurement.
2. Authorize the purchase of up to seven (7) thirty five foot hybrid buses and miscellaneous spare parts by “piggybacking” on a contract between Washington Metropolitan Area Transit Authority (WMATA), and New Flyer of America.
3. Establish a contract contingency fund in the amount of \$199,972.49 to support any minor specification modifications identified at the pre-production meeting and during bus production, as well as the purchase of spare parts.
4. Subject to Marin County Transit District (MCTD) funding availability, authorize a FY 09/10 capital budget increase for this project in the amount of \$295,000 (\$236,000 Federal Transit Administration (FTA) grant funds and \$59,000 local funds from MCTD) for a total project budget of \$4,628,000, with the understanding that no District funds will be used.

This matter will be presented to the Finance-Auditing Committee at its September 10, 2009 meeting for concurrence and to the Board of Directors at its September 11, 2009, meeting for appropriate action.

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.