

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the City Council:

SUBJECT: Transit – Authorize a Bus Purchase Order with New Flyer of America

Expenditure: Not to exceed \$7,800,000

Ref: RFP NO. 06-01 (Cooperative Procurement Pilot Program City of Montebello)

RECOMMENDATION

Recommendation of the Transit Director that City Council approve a Purchase Order with New Flyer of America, of St. Cloud, Minnesota, to purchase 12 Hybrid Gasoline-Electric Buses at a cost not to exceed \$7,800,000.

FUNDING

Funding will come from four (4) Federal Transit Administration Section 5307 Capital Formula Assistance grants. The local matching funds will come from the Proposition C 40% Municipal Operators Service Improvement Program (MOSIP), Proposition A Discretionary funds and State of California Proposition 1B, Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Program bond funds.

BACKGROUND

In September of 2006, the City of Torrance Transit Department, along with several other transit agencies and cities, entered into a Cooperative Procurement Pilot Program (CPPP) with the City of Montebello to acquire buses (the City of Montebello RFP NO. 06-01). The CPPP allowed all participating agencies to buy buses at a discounted price, requiring only a 10% local match, rather than a traditional 20% match as mandated by the Federal Transit Administration. New Flyer of America was awarded this project.

On June 9, 2009, Your Honorable Body authorized Transit to purchase 10 of these hybrid vehicles. The hybrid buses were unveiled on June 1, 2010 and entered fixed route service on June 2, 2010.

Per the CPPP, Transit was also allotted the option of purchasing an additional 12 hybrid buses at the discounted price. Transit now wishes to exercise this option and purchase these 12 vehicles.

ANALYSIS

The Transit Department is undergoing a three phase Fleet Modernization Project that will replace all of its existing diesel powered buses with hybrid and alternative fueled buses by FY2015. The buses being purchased are priced at a cost not to exceed \$650,000 per vehicle or \$7,800,000 for the entire order (including taxes and delivery). Per the CPPP the buses will be manufactured out of a plant in St. Cloud, Minnesota and over 80% of the parts and components needed to build the buses will come from American based companies (i.e. – American Steel, General Electric, Ford Motor Company, American Seating, the ISE Corporation, Motorola, Firestone Tires, etc.). The vehicles will be Gasoline-Electric Hybrids (GE40LF), 41 feet in length and comfortably seat up to 38 passengers. The buses will also comply with all American's with Disabilities Act (ADA) requirements.

Funding to procure the vehicles are as follows:

GRANT	SOURCE	AMOUNT
CA-90-Y715	Federal	\$2,477,000
CA-90-Y816	Federal	\$1,995,768
CA-04-0132	Federal	\$1,328,225
CA-04-0063	Federal	\$365,567
CA Prop 1B Bond	State	\$655,362
Proposition A Discretionary	Local	\$524,000
Municipal Operators Service Improvement Program (MOSIP)	Local	\$454,078
TOTAL FUNDING		\$7,800,000

All the vehicles purchased under the CPPP (City of Montebello RFP NO. 06-01) meet the Torrance Municipal Code for Cooperative Purchases, (Section 22.3.15), (EXCEPTIONS COOPERATIVE PURCHASES) states:

"a) The provisions of this Article will not apply to purchases made pursuant to any cooperative governmental purchase program, which purchases will be made in accordance with such procedures and regulations as shall be established by the City Manager.

b) For the purposes of this Section, the term cooperative governmental purchase program means any combination between the City of Torrance and any other public agency or public agencies for the joint purchase of property or services".

Gasoline-Electric Hybrid buses are the cleanest powered buses currently available on the market – out performing even Compressed Natural Gas (CNG) and Liquid Natural Gas

(LNG) buses when it comes to reducing NOx and CO₂ emissions. The purchasing of "Greener" buses meets all of the federal provisions for capital acquisition.

These hybrid buses will also meet or exceed all State and local requirements regarding vehicle emissions for the foreseeable future.

Respectfully submitted,



Kim Turner
Transit Director

Concur:



LeRoy J. Jackson
City Manager