



# Agenda Report

April 25, 2016

**TO:** Honorable Mayor and City Council

**THROUGH:** Finance Committee

**FROM:** Department of Transportation

**SUBJECT: AUTHORIZE THE PURCHASE OF FOUR REPLACEMENT 32-FOOT LONG COMPRESSED NATURAL GAS BUSES FOR PASADENA TRANSIT FOR AN AMOUNT NOT TO EXCEED \$1,746,308**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the purchase of these transit vehicles is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15302, replacement of existing transit facilities involving negligible or no expansion of capacity;
2. Approve a journal voucher amending the FY 2016 Capital Improvement Program budget by appropriating \$1,055,950 from the Metro 2013 Call for Projects Grant and \$690,358 from Proposition C Local Transit Fund 209 to the Purchase of Fixed Route Transit Vehicles Project (75085); and
3. Authorize the Interim City Manager to enter into a contract with Creative Bus Sales for four replacement 32-foot long compressed natural gas buses for Pasadena Transit in an amount not to exceed \$1,746,308. Competitive Bidding is not required pursuant to City Charter Section 1002(H) contracts with other governmental entities or their contractors for labor, materials, supplies or services.

It is further recommended that the City Council grant the proposed contract an exemption from the Competitive Selection process pursuant to Pasadena Municipal Code Section 4.08.049(B) contracts for which the City's best interests are served.

**BACKGROUND:**

Through the 2013 Metro Call for Projects, the City was awarded funds to purchase four Compressed Natural Gas (CNG) buses to replace two 30-foot long CNG low floor transit vehicles and two 25-foot long transit vehicles. The four vehicles recommended for replacement have met their useful life. The proposed recommendation is to purchase four low floor, 32-foot long CNG El Dorado E-Z Rider II BRT replacement buses for Pasadena Transit.

The four replacement buses will be funded with \$1,055,950 from the 2013 Metro Call for Projects grant and \$690,358 in local funds. This replacement will improve service quality and help meet existing ridership demand. The purchase of these replacement buses will assist in minimizing service interruptions due to vehicle reliability problems associated with aging vehicles and provide added passenger capacity. Due to limited size and constraints of the Pasadena Transit fleet there are times that the 25-foot long transit vehicles, which provide 21 percent less passenger capacity than a 32-foot long transit bus, are assigned to the heaviest routes in the transit system. The replacement of two 25-foot long transit vehicles with 32-foot long low floor CNG transit vehicles will thereby enhance the passenger capacity of Pasadena Transit. In addition, replacing the two 25-foot long transit vehicles will increase the number of low floor vehicles in the Pasadena Transit fleet. The current 25-foot long transit vehicles are standard floor vehicles with several steps that passengers need to climb prior to boarding the vehicles. When a passenger using a mobility device boards a 32-foot long low floor vehicle, a ramp is used in place of a lift to board the mobility device, which provides for an improved and more efficient access for disabled passengers versus a standard floor transit vehicle. The other two aging vehicles that will be replaced are 30-foot long low floor CNG buses that were purchased in 2006. The projected delivery of these vehicles is in early calendar year 2017.

The primary source of funding for this project is from the Federal Transit Administration (FTA) which has over 30 requirements, three of which pertaining specifically to transit vehicle requirements include Buy America compliance, Altoona testing, and the process of disposing of vehicles. The grant-funded vehicles being purchased need to meet the arduous vehicle service requirements of public transit. In order to meet these needs, all public transit vehicle procurements funded by the FTA are required to be tested for reliability and in-service performance by the federally recognized unbiased test center, Altoona Bus Research and Testing Center. In addition, these buses must be certified and audited to meet the FTA requirements of Buy America which require 60% or greater of the content of the vehicle be made in the United States. The vehicles being replaced will be disposed of following FTA requirements (FTA Circular 5010.1D) and Section 4.04.040 of the Pasadena Municipal Code that governs the disposition procedures for salvage property and scrap. The FTA requires partial reimbursement to FTA whenever the fair market value of the disposed property exceeds \$5,000. The transit vehicles being purchased for this federal grant award have met all FTA public transit and commercial use requirements.

In order to help medium, small, rural and specialized transportation providers meet rigorous federal transit vehicle procurement requirements, the Morongo Basin Transit Authority (MBTA), a member of the California Association of Coordinated Transportation (CalACT), formed the CalACT/MBTA Vehicle and Materials Purchasing Cooperative (Cooperative), which has become the state's purchasing cooperative for smaller agencies statewide to use to ensure federally compliant procurements.

The Cooperative developed bid documents and product specifications for a federally compliant competitive price-based procurement process for several classes of transit vehicles to be used by participating governmental agencies and in 2012 executed a contract with Creative Bus Sales that was last amended on February 23, 2015 to establish the pricing for transit vehicles currently in effect. The selection process the Cooperative followed meets the more than 30 federal requirements specific to federally funded transit procurements.

As a participating member of CalACT, the City is eligible to piggyback on the Cooperative contract with Creative Bus Sales for the purchase of transit vehicles. Purchasing the requested equipment from Creative Bus Sales through the Cooperative is in the City's best interest because it will save the City \$100,000 on the purchase of the vehicles over factory-based pricing (because the Cooperative has negotiated a volume-based discounted price for this class of vehicle).

#### **COUNCIL POLICY CONSIDERATION:**

The proposed action is consistent with the following goals of the Strategic Plan: Improve, Maintain and Enhance Public Facilities and Infrastructure; Increase Conservation and Sustainability; and Improve Mobility and Accessibility throughout the City. This purchase of four 32-foot long CNG Pasadena Transit buses will enhance the system by helping to minimize service interruptions due to the current deteriorating condition of the four aging vehicles in the fleet being replaced. In addition, the vehicles will enhance Pasadena Transit by helping implement the Mobility Element and encourage non-auto travel by adding larger and more accessible vehicles to the fleet.

#### **ENVIRONMENTAL ANALYSIS:**

The proposed action consists of replacing two 30-foot long transit vehicles and two 25-foot long transit vehicles with four low floor, 32-foot long CNG El Dorado E-Z Rider II BRT buses for Pasadena Transit. The proposed new bus fleet would have substantially the same purpose and capacity of the existing fleet. Pursuant to the State CEQA Guidelines Section 15302, Replacement or Reconstruction (Class 2), projects consisting of the replacement of existing facilities involving negligible or no expansions of capacity are categorically exempt from CEQA.

**FISCAL IMPACT:**

The cost of this action will be \$1,746,308. Staff is requesting a total FY 2016 CIP budget appropriation of \$1,746,308. The local match for this project is \$690,358 from Fund 209 that currently has an estimated fund balance of approximately \$6.0 million. The table below shows the funding sources:

Fund 209 Proposition C Local Transit Fund Balance	\$ 690,358
Metro 2013 Call for Projects - Federal Flexible CMAQ Funds	\$ 1,055,950
Total Sources	\$ 1,746,308

The four new buses will be operated and maintained under the City's transit operations contract with First Transit, Inc. This contract for the fixed route operations and vehicle maintenance is included in the Department of Transportation's operating budget.

Respectfully submitted,



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