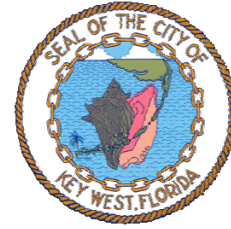


EXECUTIVE SUMMARY



To: Jim Scholl, City Manager

From: Norman Whitaker, Director / KWDoT

Date: December 20, 2016

Subject: Procurement Price for the New Bus Fleet

Action Statement:

Commission approval for the purchase of two (2) additional 29' Clean Diesel BRT Low Floor Gillig buses in the amount of \$448,237.00/ea., one (1) 29' Low Floor BRT Hybrid Diesel bus in the amount of \$681,224.00, and one (1) 35' Low Floor BRT Clean Diesel in the amount of \$458,770.00, for a total purchase of \$2,038,468.00. An approval for the Administrative Fee per LYNX contract of \$500.00 per bus for a total cost of an additional \$2,000.00, pursuant to City of Key West Code of Ordinances Sections 2-797.3 (a)(b)(c), Purchases and Acquisitions Under Contracts of Federal Government and the State or its Political Subdivisions.

Subject bus would be procured through the Central Florida Regional Transportation Authority (LYNX) Contract No. 14-C09 for Heavy Duty Transit Coaches, in which the City of Key West is a named entity authorized to purchase pursuant to.

Project History:

The City Commissioners approved the first order of buses Resolution 14-060 in the amount of \$1,990,393.00. Due to the fact that the contract agreement between FDOT and the City would not be available by March 31, 2014 deadline, Key West Transit (KWT), had to revise / amend the procurement price to \$2,001,983 / Resolution 14-150. Due to some minor changes and additional items needed on the first order, the new cost for the first order was \$2,021,624. With the increase to the cost, KWT was still within the budget and contract agreement specifications.

On February 18, 2015 and December 2, 2015, the City Commissioners approved the second order for two (2) Gillig buses (one 30' and one 35') and third order for one (1) 35', Resolution 15-099 and Resolution 15-361. The City is has placed its fourth order of two (2) 29' Clean Diesel BRT Low Floor buses, estimated to be delivered by December 2017.

The State of Florida Department of Transportation (FDOT) and Central Florida Regional Transportation Authority (LYNX) have found the price for the proposed purchase to be fair and competitive.

Advantage / Disadvantages

The advantages for approving this agreement are as follows:

- KWT will be able to continue providing an efficient public transit system
- New and improved models added to our fleet will alleviate the high maintenance costs of the current bus fleet which has outlived its useful life
- New buses will provide for an improved visual effect in the community
- New warranted vehicles with minimal initial support costs
- KWT will meet Strategic Goals - Environment # 4 & 5, Infrastructure # 1, 2, & 4
- KWT will meet or exceed the goal of reducing emissions by 15% as noted in the Climate Action Plan

- Purchases are completely funded by FDOT with no City match required, so no fiscal impact to the City

There are no disadvantages to approving this agreement.

The disadvantages for not approving this agreement are as follows:

- Extremely high cost of maintenance on current vehicles
- Lost revenue opportunity
- KWT will not fully meet the Strategic Goals and the Climate Action Plan
- Current bus fleet maintenance is at a critical point with no foreseeable relief
- City may have to cancel routes due to inadequate bus fleet
- Citizens and tourists may not be able to access public transportation
- Loss of opportunity for new vehicles that will support current services being offered

Fiscal Impact:

The next four (4) buses will be completely funded by FDOT grants and have been budgeted for FY2016-2017 to line item 411-4404-544.64, project number TS1301.

The new vehicles will be delivered with extended coverage warranties for issues that might arise during the warranty period as the vehicles age. This will also alleviate the high maintenance costs of the current bus fleet which has outlived its useful life.

Recommendation:

Key West Transit staff recommends procurement approval of two (2) 29' Clean Diesel Low Floor BRT buses in an amount of \$898,474.00, one (1) 29' Low Floor BRT Hybrid Diesel bus in the amount of \$681,224.00, and one (1) 35' Low Floor BRT Clean Diesel in the amount of \$458,770.00, for a total purchase of \$2,038,468.00 from Gillig LLC.