

EXECUTIVE SUMMARY



To: Jim Scholl, City Manager
From: Norman Whitaker, Director / KWDoT
Date: November 12, 2015
Subject: Procurement Price for the New Buses

Action Statement:

Commission approval for the purchase of one (1) additional bus in an amount not to exceed \$455,000.00, 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, and Gillig, LLC.

Transit Director previously requested bus purchase quotes from El Dorado and NABI. Quote information is attached. Please note North American Bus Industry (NABI) was purchased by New Flyer. NABI buses are no longer manufactured. Like El Dorado, the New Flyer MiDi uses a carbon steel frame and aluminum body. They are both attractive buses, but not as durable as the Gillig, which uses a stainless steel frame. Key West Transit staff and Fleet Maintenance staff has had discussion on the different type of buses available for transit and it was decided that even though El Dorado and New Flyer were cheaper, Gillig buses would be a better transit bus due to the fact that our current fleet and new orders is with Gillig and the quality of Gillig is a better choice for Key West and its weather / salt water conditions. Key West Director finds the quotes for the heavier duty, more durable Gillig bus to be fair and reasonable.

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 is \$2,021,624. With the increase to the cost, KWT is still within the budget and contract agreement specifications.

On February 18, 2015, the City Commissioners approved the second order for the next two (2) Gillig buses Resolution 15-099, using the same specifications and contract agreement as the first order. Detailed specifications are attached for your review. The City is ready to purchase the next Gillig bus using the same specifications and contract agreement. This order will consist one (1) 35' Gillig Clean Diesel BRT Low Floor bus. The City will purchase the bus using the State of Florida purchase contract authorized through Central Florida Regional Transportation Authority (LYNX), with Gillig. The contract is attached.

The State of Florida Department of Transportation (FDOT) and Central Florida Regional Transportation Authority (LYNX) have found the price for the 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 one (1) bus will be completely funded by FDOT grants and have been budgeted for FY2014-2015 to line item 411-4404-544.64, project number TS1301

The new vehicle 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 to approve the procurement amount and move forward with purchasing the new bus fleet.