

ITEM#: 13
DATE: 11-10-20

COUNCIL ACTION FORM

SUBJECT: AWARD OF CONTRACT FOR CYRIDE MINIBUS PURCHASE

BACKGROUND:

CyRide was awarded discretionary funding for six new minibuses through the State of Iowa's FY 2019 Bus and Bus Facilities grant submission. The discretionary award was at an 85% federal share and the budget for this purchase is as follows:

Funding Source	Amount
FY 19 Discretionary Grant (85%)	\$559,470
Local Funding (15%)	\$98,730
Total Funds Available	\$658,200

Local funding for this grant was included in the FY 2021 Capital Improvement Plan, approved by both the Transit Board of Trustees and the City Council.

The Iowa Department of Transportation (IDOT) completed a statewide invitation for bid (IFB #OPT2018LDB) for light duty 176" wheelbase buses in spring 2018. Transit agencies in the State of Iowa can use the resulting contracts to purchase buses, saving administrative time and money.

The six buses to be replaced are now 10 years old, past the Transit Asset Management (TAM) plan useful life benchmark of eight years. Replacement of these buses would result in lowering CyRide's operating costs, provide a more comfortable ride for our customers, and move us closer to our TAM performance targets. This purchase will allow CyRide to replace six of nine buses, or 66% of the minibus fleet, in FY 2020/21

The last minibuses CyRide purchased were built by Glaval. The experience with these buses has been positive and CyRide believes they are the best value offered on the IDOT procurement. As a result, CyRide has worked with the Glaval supplier, Høglund Bus Company, to determine pricing. The manufacturer has completed preliminary pricing and the estimated price per bus has been quoted at \$100,975 each, for a total cost of approximately \$605,850. This cost does not include additional make-ready items, such as fareboxes, bike racks, and annunciators, which will be maintained within the project budget.

CyRide will continue to refine bus specifications until approximately three months before the vehicles are built; the manufacturer will provide updated pricing once specifications are finalized. Since vehicle pricing is not finalized until late in the process, CyRide is requesting approval of award to Høglund Bus Company of Marshalltown, Iowa at the not-

to-exceed grant amount of \$658,200. The delivery date of the buses will be approximately six months from the date the purchase order is issued.

The Transit Board of Trustees approved award to Hoglund Bus Company of Marshalltown, Iowa during the most recent Transit Board meeting on October 28, 2020.

ALTERNATIVES:

1. Approve award to Hoglund Bus Company of Marshalltown, Iowa, in the not to exceed amount of \$658,200 for the purchase of six new 176" wheelbase minibuses.
2. Do not approve the contract award for the purchase of new minibuses and direct staff to proceed according to City Council priorities.

CITY MANAGER'S RECOMMENDED ACTION:

Approval of this contract will allow CyRide to replace six existing buses within its minibus fleet and help CyRide maintain a state of good repair as required by FTA.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as noted above.