

44 New 60 Ft. Low-Floor Hybrid Bus Procurement

Financial Management Control
Board Meeting

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Gerard J. Polcari

Chief Procurement Officer



Procurement Parameters

Procurement:

- The Invitation for Bid 23-15 (IFB) was placed out for public bid on March 26, 2015.

Contract:

- The IFB requested that prospective vendors submit bids that include the following requirements in their responses:
 - 44 New 60 Ft. Low-Floor Hybrid Buses
 - 3 Future Purchase Options:
 - ✓ Option 1: One 60 Ft. Diesel Hybrid Extended Range Bus.
 - ✓ Option 2a: 20 Diesel Hybrid Extended Range Buses.
 - ✓ Option 2b: 45 Diesel Hybrid Extended Range Buses.
- New Flyer, Inc was the only bidder. Their base bid was \$52,609,920 for 44 buses.

DBE Participation:

- The DBE participation goal as established by the FTA, was set at 3.93% and will be met fully through their partnership with Transit Vehicle Manufacturing Procurement (TVM) set up with the FTA. The value of that agreement is \$8,733,464.

Procurement Context

- ❑ MBTA's bus fleet plans have determined an urgent need for the replacement of the existing 44 sixty foot Neoplan CNG buses which were procured in 2003.
- ❑ The Neoplan CNG buses have reached the end of their expected lifespan. The CNG tanks on the existing vehicles to be replaced will start to expire in June 2017. *(Important Note: FTA service-life guidelines for Heavy-Duty Large Buses are 500,000 miles or 12 years whichever comes first).*
- ❑ Current Conditions:
 - ✓ Recent physical assessments of the Neoplan buses have revealed severely corroded structures along with other significant structural deficiencies
 - ✓ CNG fuel tanks have a finite life of 15 years (if the CNG fuel tanks are replaced the costs are estimated to be \$80,000 per bus or \$3,520,000 for 44 buses).

Market Conditions

Two Major Market Manufacturers

New Flyer, Inc

Minnesota

- ✓ Four (4) Manufacturing plants.
- ✓ Annual production capacity = 2,500 buses.
- ✓ MBTA's prospective orders of 369 new buses will absorb 14.75% of New Flyer's overall production capacity.
- ✓ New Flyer, Inc estimated to be operating at nearly 90-95% of its manufacturing capacity.
- ✓ Based upon the New Flyer bid, the MBTA's prospective order is 68 weeks from Notice to Proceed to last bus delivered.

NOVA

New York

- ✓ Two (2) Manufacturing plants.
- ✓ Annual production capacity = 1,300 buses.
- ✓ NOVA's largest customers include: MTA Bus and CTA.
- ✓ NOVA is estimated to be operating at 80% of its manufacturing capacity.

Recent Bus Pricing

Agency	MFG	Type of Bus	Price/ Bus (Prices Adjusted for 2017 Delivery) ¹	# of Buses	Bid Type
SF MUNI (San Francisco)	New Flyer	Diesel Hybrid	\$1,134,000	24	RFP
AC Transit (Oakland)	New Flyer	Diesel Hybrid	\$1,062,013.	27	RFP
C-Tran (Washington)	New Flyer	Diesel Hybrid	\$1,061,842.	10	RFP
Lane Transit (Oregon)	New Flyer	Diesel Hybrid	\$1,042,578.	3	RFP
MBTA FC# 683 IFB 23-15	New Flyer	Diesel Hybrid	\$1,128,000.	44	IFB

¹ **MBTA Specialized Bus Components** **Total: \$82,500**

- Camera System = \$32,600
- CAD AVL (Trapeze System) = \$29,300
- Farebox System = \$20,600

