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March 1, 2022

**The Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton Goodlett Place, Room 244
San Francisco, CA 94102**

Subject: Request for Approval – Contract with Complete Coach Works for Mid-Life Overhaul of the 40' & 60' Hybrid Electric Coaches and 60' electric Trolley Coaches

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors approve a Contract between the City and County of San Francisco and Complete Coach Works to perform Mid-Life Overhaul services to replace and rehabilitate systems for up to 48 standard (40 feet) Hybrid Electric New Flyer Coaches, 111 articulated (60 feet) Hybrid Electric New Flyer Coaches and 60 articulated (60 feet) Electric Trolley Coaches, in an amount not to exceed \$101,659,122.25, and for a term not to exceed five years.

Background

The SFMTA began its fleet replacement program in 2013 and will conclude in 2022 with the arrival of 30 new 32-foot hybrid buses. Over this decade long process, the SFMTA has purchased 844 coaches. By adhering to the Fleet Management Plan guiding principles, the rubber tire performance is stronger than it has been in at least three decades and is consistently maintaining a Mean Distance Between Failures (MDBF) that exceeds 10,000 miles between breakdowns.

Conducting a mid-life overhaul program is essential to maintaining this strong performance, so that the fleet does not begin to break down as it reaches the end of its useful life (12 years for hybrid buses and 15 years for trolley buses). Additionally, a mid-life overhaul program is essential for efficient and cost-effective maintenance. For these reasons, the Transportation Authority (TA) Prop K Grant Agreement required a commitment by the SFMTA to perform mid-life overhauls.

Bid Process

This project is part of Phase I of the overhaul program and complements 112 40-foot hybrid vehicles that are being overhauled in house. Initially, SFMTA had intended to contract out overhaul of all 331 Phase I vehicles and issued a Request for Proposals (RFP) on November 27, 2019, for the full amount. Due to the rise of the global COVID-19 pandemic, the RFP due date was postponed from January 31, 2020, to May 15, 2020. Nevertheless, no responsive proposals were submitted. As a response, the SFMTA conducted industry outreach and based on that input, simplified the scope of work to encourage more competition when re-issuing the RFP.



The revised scope of work emphasized addressing the core overhaul components that will deliver reliability. Additionally, because the overhaul contract was delayed by the reissuance, Phase I was split into two groups. Work on the oldest 112 coaches, first purchased in 2013, is being performed in-house by the SFMTA Maintenance group and is focusing primarily on the propulsion system and the Automatic Passenger Counter (APC). Working on the first 112 vehicles in-house was necessary to complete the mid-life overhaul on the 2013 coaches in a timely manner but is not sustainable for the full overhaul program, given the space requirements and SFMTA's challenges filling maintenance vacancies. The in-house work was initially planned to be completed in 14 months, but will take closer to 24 months due to competing shop priorities.

The RFP for the remaining 219 coaches was issued on June 16, 2021, with a submittal deadline of September 30, 2021. Complete Coach Works (CCW) was the only Contractor to submit a proposal in response to this RFP. After the SFMTA thoroughly reviewed the proposal, per Administrative Code Section 21.4(b), the SFMTA project team negotiated with CCW and was able to reduce the overall contract price by about \$2.3 million.

Description of Work

This project is part of the Phase I of the overhaul program. It will address the oldest vehicles of this fleet and will include substantial work to 48 (40 feet) motor coaches, 111 (60 feet) motor coaches, and 60 (60 feet) trolley coaches.

The Contractor will be required to repair, refit, test and commission each Coach completely into revenue service condition in the same configuration as the rest of the overhauled Coaches. The anticipated work includes, but is not limited to:

- Engineering analysis of structural damage, designing repair solution(s), and performing structural repairs as required.
- Restoring interior and exterior finish to match SFMTA livery.
- Identifying, repairing, replacing, reassembling, and re-installing all missing and damaged components as needed.
- Rebuilding each vehicle to the original specified design configuration.
- Performing acceptance testing in accordance with OEM procedures, dimensional verification, and quality assurance verification at the Contractor's facility, and during acceptance testing and commissioning after delivery of the Coaches.
- Providing warranty support and support service for up to one year after acceptance of each vehicle.
- Unforeseeable Work: The SFMTA has included an allowance for conditions that are latent in the Coaches and arise in the course of other work. Unforeseeable work will be performed on a negotiated or time-and-materials (force account) basis.



The Contractor will be responsible for any damage to these Coaches or their components while the Coaches are in the Contractor's possession, including during shipment of the vehicles. The Contractor will repair or replace any such damaged item at no cost to the SFMTA.

The Contractor will supply all labor, inspections, engineering, tools, materials, parts, facilities, and equipment required to restore the Coaches to the configuration of the rest of the fleet, to provide a level of performance, safety, quality of materials, workmanship, and reliability equal to the original Coach, and will prepare all required detailed drawings, schematics, design calculations, stress analysis, and other specified technical documentation.

The Contractor will be required to comply with all applicable federal, state, and local laws and regulations. In addition, the contractor is required to adhere to all applicable SAE, IEEE, and industry standards. It will be the full responsibility of the Contractor to dispose of all removed equipment in a safe and legal manner.

Alternatives Considered

Two alternatives were considered. One alternative considered was to repair or replace these systems as they fail during service, but that alternative would reduce vehicle availability and reliability. In addition, unscheduled maintenance and labor costs would also impact Muni's operating budget. A second alternative considered was to do the mid-life program in house. However, the SFMTA lacks the dedicated overhaul facility, maintenance staff, material logistics and specialized expertise to complete this program in a timely and cost-effective manner.

Funding Impact

The contract amount with Complete Coach Works for the coaches is \$101,659,122.25 and includes the cost of the Coach repairs, spare parts, special tools, schematics, unforeseeable work, and exterior body work. With taxes, in-house overhaul material purchases, project engineering, maintenance support, consultant support, and in-house overhaul labor, the total Phase I project cost is \$154,819,000.00. Following is the detailed project budget:

Total Project Budget

Contract	Costs
Complete Coach Works Contract Total	
Vehicles (219)	\$94,159,122.25
Spare Parts	\$1,000,000.00
Special Tools	\$1,000,000.00
As-Built Drawings, Updated Schematics, and Parts Lists	Inclusive
Unforeseeable Work and Exterior Body Work	\$5,500,000.00
Subtotal Complete Coach Works Contract	\$101,659,122.25



Other Associated Costs	
Sales Tax (8.625%)	\$8,293,724.29
Soft Costs – Planning, Preliminary Design, Detail Design, Project Administration, Inspection and Consultant Support.	\$13,884,919.47
Contingency	\$2,300,000.00
Total Contract Cost	\$126,137,766.01

In-House Overhaul 112 Vehicles	Costs
Material Purchases	\$20,798,432.00
Sales Tax (8.625%)	\$1,793,864.76
Soft Costs – Project Administration and in-house Maintenance overhaul labor.	\$6,088,937.23
Total In-House Overhaul Cost	\$28,681,233.99
Total Contract + In-House Overhaul Cost (331 Vehicles)	\$154,819,000.00

This project will be funded by the Federal Transit Administration, the MTC-BATA Fund, Prop K, the AB664 Bridge Toll Fund, and the General Fund as detailed below.

Financial Plan

Project Funding Source	Amount
FTA Section 5307 Formula Fund	\$52,211,941
AB664 Bridge Toll Fund	\$12,228,208
Bay Area Toll Authority (BATA) Fund	\$12,491,580
Low Carbon Fuel Standard (CCSF-LCFS)	\$600,000
General Fund PopBase Transit	\$2,882,219
Local Partnership Program (LPP) Formula Fund	\$1,150,000
Developer Fee (Mission Rock, Pier 70, Potrero Power, Schlage Lock)	\$20,181,934
Operating Fund	\$1,167,615
Regional Measure 3 (RM3) Fleet Facility	\$5,480,825
Sales Tax (Prop K) EP17M	\$10,870,283
Transit Capital Priority (TCP) Fund	\$27,868,393
Transportation Sustainability Fee (TSF) Maintenance Fund	\$367,002
Funding Need	\$7,319,000
Total	\$154,819,000



SFMTA Board Action

On March 1, 2022, the SFMTA Board of Directors approved a Resolution authorizing the Director of Transportation to execute the Contract with Complete Coach Works in an amount not to exceed \$101,659,122.25 and for a term not to exceed five years.

Recommendation

The SFMTA recommends that the San Francisco Board of Supervisors authorize the SFMTA to enter into a Contract with Complete Coach Works to perform Mid-Life Overhaul services to replace and rehabilitate systems for up to 48 standard (40 feet) Hybrid Electric New Flyer Coaches, 111 articulated (60 feet) Hybrid Electric New Flyer Coaches and 60 articulated (60 feet) Electric Trolley Coaches, in an amount not to exceed \$101,659,122.25, and for a term not to exceed five years.

Thank you for your consideration of this proposed agreement. Should you have any questions or require more information, please do not hesitate to contact me at any time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey P. Tumlin'.

Jeffrey P. Tumlin
Director of Transportation