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Edward D. Reiskin, Director of Transportation

May 18, 2018

**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 – Amendment No. 4 to Contract No. CPT 713 with New Flyer of America Inc., to change 68 coaches from parallel propulsion to series propulsion, amend the list of additional equipment added during the production phase of the contract, and amend the Schedule of Prices to reflect these changes.

Honorable Members of the Board of Supervisors:

The San Francisco Municipal Transportation Agency (SFMTA) requests that the San Francisco Board of Supervisors approve Amendment No. 4 to Contract No. CPT 713 (the Contract) with New Flyer of America Inc. (New Flyer). The purpose of this Amendment is to change 68 coaches from parallel propulsion to series propulsion, amend the list of additional equipment added during the production phase of the contract, and amend the Schedule of Prices to reflect these changes, for an additional amount of \$14,880,231 and a total contract amount not to exceed \$428,654,904, with no change to the term of the contract.

Background

On December 2, 2014, the SFMTA Board of Directors adopted Resolution No. 14-172, authorizing the Director of Transportation to execute the Contract, initially for 61 articulated low floor diesel hybrid buses (base order), with options to buy additional buses. On December 16, 2014, the Board of Supervisors adopted Resolution No. 471-14, approving the Contract. The Contract was signed and effective as of December 30, 2014. On June 29, 2015, the Board of Supervisors adopted Resolution No. 224-15 approving Contract Amendment No.1 to change the propulsion system in six of the previously ordered 61 buses from parallel propulsion to series propulsion and to exercise Option No.1 of the contract to purchase an additional 48 standard and 50 articulated buses. On December 15, 2015, the Board of Supervisors approved Amendment No. 2 under Resolution No. 527-15 to exercise the remaining options to purchase 152 standard and 113 articulated low floor diesel hybrid buses, for a total of 265 additional buses. On December 1, 2017, the Board of Supervisors approved Contract Amendment No. 3 under Resolution No. 413-17 to revise the list of spare parts and special tools and to include the list of additional equipment added to the vehicles during the production phase of the Contract.

Currently, about 132 standard and 184 articulated hybrid coaches been delivered under the Contract and put into daily revenue service. The vehicles that we have received have delivered an immediate benefit

to our customers. The new vehicles are cleaner, quieter, more spacious, and easier for people with disabilities to use. They also represent a dramatic improvement in service reliability. The new 60-ft. hybrid averages over 14,000 miles between breakdowns, compared to 4,300 miles between failures on the aging Neoplan 60-ft. coaches. The new 40-ft. hybrid averages over 16,000 miles between breakdowns, compared to 5,030 miles between failures on the aging Neoplan 40-ft. coaches.

At this time, the SFMTA wishes to amend the Contract to change 68 coaches currently on order from parallel propulsion to series propulsion. The series propulsion system has a higher capacity battery which would allow the SFMTA to run a test program to operate “Green Zones,” in which the vehicle operates entirely on battery power with the vehicle engine off, along several electric hybrid routes. These zero emission “Green Zones” will encompass up to 25 percent of daily operation for these vehicles. The SFMTA also wishes to amend the Schedule of Prices list to reflect the cost of the additional series propulsion vehicles and include the list of additional equipment, including air conditioning, a Conduent (ACS) radio commissioning which specifies SFMTA programming onsite at SFMTA post-delivery, and a Global Positioning System (GPS) based traffic priority signal system, added to the vehicles during the production phase of the Contract, increasing the contract by an additional amount of \$14,880,231 for a total contract amount not to exceed \$428,654,904, with no change to the term of the contract.

Alternatives Considered

The alternative to authorizing Amendment No. 4 would be to keep the parallel propulsion system instead of changing it to the series propulsion system. SFMTA would not be able to run a “Green Zones” test program without changing to the series propulsion system. This would further delay SFMTA’s goal of moving toward a zero emission fleet.

Funding Impact/Budget

The total project cost for the amendment is \$16,145,051. The budget includes modifications to change 68 coaches from parallel propulsion to series propulsion and to amend the list of Schedule of Prices and includes the list of additional equipment added to the vehicles during the production phase of the contract.

Amendment No. 4 will increase the contract amount by \$14,880,231, for a total contract amount of \$428,654,904. Following is the detailed project budget:

New Flyer Amendment No. 4	Cost
Modification of 68 coaches change from parallel to series propulsion & to amend the list of Schedule of Prices & Additional Equipment added	\$14,880,231
Subtotal New Flyer Contract Amendment No. 4	\$14,880,231

Other Associated Cost Items Amendment No. 4	Cost
Tax (8.5%)	\$1,264,820
Subtotal Other Associated Cost Items Amendment No. 4	\$1,264,820
Total Cost Amendment No. 4	\$16,146,051

Total Project Cost Summary	Cost
Base Order Plus Amendment No.1 Amount	\$ 167,639,669
Base Order Plus Amendment No,1 Other Associated Cost Items	\$ 22,498,279
Amendment No. 2 Contract Amount	\$ 244,630,752
Amendment No. 2 Other Associated Cost Items	\$ 39,483,073
Amendment No. 3 Contract Amount	\$1,504,252
Amendment No. 4 Contract Amount	\$14,880,231
Amendment No. 4 Other Associated Cost Items	\$1,264,820
Total Project Cost Amount	\$491,901,076

Funding Sources:

Funding for Amendment No. 4 is available but the exact source(s) of funding are to be determined. The funding will come from a variety of sources including, but not limited to: Federal Transit Administration (FTA) Formula Funds, San Francisco County Transportation Authority (SFCTA) Proposition K Sales Tax, Proposition B General Fund, and/or AB664 Bridge Tolls.

The table below summarizes the sources of funding for this project:

Funding Source Amendment No. 4	Amount
Prop K Transportation Sale Tax (17%)	\$2,744,659
Federal Transit Administration Section 5307 (83%)	\$13,400,392
Total Funding	\$16,145,051

SFMTA Board Action

On May 15, 2018, the SFMTA Board of Directors approved Resolution No. 180515-078 authorizing the Director of Transportation to execute this Amendment, subject to approval by the Board of Supervisors (see attached).

Recommendation

The SFMTA recommends that the San Francisco Board of Supervisors adopt the resolution approving Amendment No. 4 to Contract No. CPT 713 with New Flyer of America, Inc..

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

Sincerely,



Edward D. Reiskin
Director of Transportation

Attachments:

SFMTA Board Resolution No. 180515-078
Amendment No. 4

