

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 4/8/2020

Staff Report No. 20-150

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Procurement of One New Flyer 60-foot Articulated Bus

ACTION ITEM

RECOMMENDED ACTION(S):

Consider authorizing the General Manager to execute documents with New Flyer Industries to purchase one (1) replacement articulated bus damaged by vandalism and beyond repair.

STRATEGIC IMPORTANCE:

Goal - Convenient and Reliable Service
Initiative - Service Quality

The purchase of this one articulated bus will help in providing passenger service and maintenance spare levels.

BUDGETARY/FISCAL IMPACT:

The District has received \$566,000 from the insurance claim proceeds for the damaged bus, which does not include the District's \$100,000 deductible. The first-party automobile property damage coverage in effect at the time of this loss provided for actual cash value (ACV) on the covered vehicles. The District historically has elected to not purchase replacement cost value (RCV) coverage on the buses due to the fact that total losses were extremely rare and the low probability of sustaining such a loss was not seen as justifying the additional premium expense. In addition to the insurance claim funds, the District was able to salvage parts from the totaled bus valued at approximately \$50,000. District funds of up to \$297,000 will be used to purchase the replacement bus. The total cost of the replacement bus is \$863,000.

BACKGROUND/RATIONALE:

A New Flyer articulated bus that was placed into service on May of 2018 and was subsequently vandalized beyond repair during an Oakland sideshow event in April of 2019 with less than a year in service. This bus needs to be replaced to maintain the scheduled service level and adequate maintenance fleet spare ratios.

ADVANTAGES/DISADVANTAGES:

The advantage is that purchasing a replacement bus will return the spare ratio of this fleet back to its original level. There are no known disadvantages of purchasing this replacement bus.

ALTERNATIVES ANALYSIS:

The alternative is to not purchase a bus that satisfies and complies with the strategic service goals of the District.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy 465 - Procurement Policy

ATTACHMENTS:

None

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Approved/Reviewed by:

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