



Legislation Text

File #: 70618, **Version:** 1

Fiscal Note

The proposed resolution approves roadway geometry for the East-West Bus Rapid Transit (BRT) project and allows authorization of a contract for BRT buses.

The proposed contract includes a base order of 27 electric BRT buses at a cost of up to \$41.6 million. The contract includes options of either 14 additional diesel BRT buses (\$14.0 million) or 19 additional electric BRT buses (\$28.9 million). Execution of either option must be made no later than December 31, 2022.

The 2022 adopted capital budget for the Transportation department included \$26.0 million in local funding for the BRT project. Additionally, \$115.8 million of federal funding was appropriated in the 2022 capital budget for BRT and included \$83.0 million for a federal Small Starts grant.

The approval of the Infrastructure and Jobs Act in November 2021 may increase federal funding available for electric buses and Transportation staff are planning for three outcomes related to the above contract:

1. Additional funding through the Infrastructure and Jobs Act combined with the execution of the Small Starts grant in 2022 may allow the City to execute the higher contract option for 19 additional electric buses. Any additional federal grants from the Infrastructure and Jobs Act would need to be appropriated through a budget amendment and approved by Council.
2. If no additional federal funding is received from the Infrastructure and Jobs Act and the City executes the Small Starts grant in 2022, staff would seek the option for 14 additional diesel BRT buses. The contract would be funded by existing appropriation from the 2022 capital budget.
3. If the Small Starts grant is not executed in 2022, staff would not choose either contract option and only request the base order of 27 electric buses. The base contract would be funded by a combination of authorized local funding and other federal grants that have been secured.

Title

Authorizing a noncompetitive contract with New Flyer industries for up to 46, potentially all electric, Bus Rapid Transit Vehicles and approving roadway geometry for the East-West Bus Rapid Transit project.

Body

WHEREAS, The City of Madison is proposing to construct the East-West Bus Rapid Transit (BRT) project primarily along the corridors of East Washington Avenue, the Capitol Square, State Street, Johnson Street, University Avenue, Campus Drive, Whitney Way Mineral Point Road, and small sections of other streets; and

WHEREAS, the BRT project cannot move forward without approval of both the roadway and station geometry and the bus fleet contract, they have been packaged together; and

WHEREAS, the City of Madison Common Council adopted the Bus Rapid Transit (BRT) Downtown Routing and West Side Routing, incorporating the recommendations into the BRT east-west corridor Locally-Preferred Alternative (LPA) on March 31, 2020 under Legistar item 59665; and

WHEREAS, the City of Madison Common Council adopted the BRT Revised Locally Preferred Alternatives Report on January 5, 2021 under Legistar item 63184; and

WHEREAS, President Biden proposed the Fiscal Year 2022 budget on May 28, 2021, which included a grant of \$83 million for the Madison East-West BRT Project under the Federal Transit Administration's (FTA) 5309 Small Starts grant program; and

WHEREAS, the City of Madison Common Council adopted the BRT Vehicle Sole Source authorization for a mix of up to 43 electric and diesel buses, on July 6, 2021 under Legistar item 65315; and

WHEREAS, the City of Madison Common Council the execution of a contract with AECOM to complete design work for the BRT project on October 5, 2021 under Legistar item 67432; and

WHEREAS, the City of Madison Common Council adopted the Madison Department of Transportation 2022 Capital Budget, inclusive of approximately \$83 million in FTA 5309 Small Starts Grants, approximately \$34 million in other federal grants already under control of Metro, \$13 million in land contributions, and \$26 million in local funding, when combined with previous budget allocations, comprising all local funding necessary to complete the BRT project on November 11, 2021 under Legistar item 67001; and

WHEREAS, President Biden signed the Bipartisan Infrastructure and Jobs Act on November 15, 2021, substantially increasing funding availability for electric buses; and

WHEREAS, the City of Madison Common Council authorized the execution of third party agreements related to the BRT project with the State of Wisconsin, the City of Sun Prairie, and other jurisdictions on February 1, 2021 under Legistar item 68976; and

WHEREAS, President Biden signed the Fiscal Year 2022 budget on March 15, 2022, fully funding the FTA's 5309 Small Starts grant program and the Infrastructure and Jobs Act; and

WHEREAS, the City of Madison has completed the 60% design milestone for the BRT project, inclusive of lane and station geometry for the entire corridor, approximately 15 miles in length; and

WHEREAS, the additional funding available through the Infrastructure and Jobs Act could allow Madison to modify the BRT bus purchase to include up to 46 all electric buses without any additional local funding contribution, helping to more quickly achieve climate goals related to the introduction of zero emission vehicles; and

WHEREAS, the City of Madison has completed negotiations with New Flyer Industries for the BRT vehicle fleet under the terms of the Sole Source authorization; and

WHEREAS, the proposed contract with New Flyer industries would consist of a base order of 27 electric BRT buses for a total of up to \$41,591,313, plus optional orders to be executed no later than December 31, 2022 of either 14 additional diesel BRT buses at an additional cost of \$14,001,094 or 19 additional electric BRT buses at a cost of \$28,887,119; and

WHEREAS, the City of Madison intends to ask the FTA for additional funding for the all-electric option and, if granted, execute the larger all-electric contract option, and if not granted, execute the smaller diesel bus option; and

WHEREAS, in the unlikely event that the City of Madison is not able to execute an FTA 5309 Small Start grant agreement at all, no options would be exercised and the 27 electric BRT buses would be funded by the approximately \$34 million in other federal grants and \$26 million in local contributions already approved for the project, and used to provide local service throughout the city; and

NOW THEREFORE BE IT RESOLVED, that the roadway and station geometry for the East-West BRT project is hereby approved; and

BE IT FURTHER RESOLVED that the Mayor and the City Clerk are hereby authorized to execute a noncompetitive sole source agreement between the City of Madison and New Flyer Industries for a fleet of 27 all electric BRT buses for a total of up to \$41,591,313; and

BE IT FINALLY RESOLVED that the Mayor and the City Clerk are hereby conditionally authorized to execute optional orders of either 14 additional diesel BRT buses at an additional cost of \$14,001,094 or 19 additional electric BRT buses at a cost of \$28,887,119, only upon execution of an FTA 5309 Small Starts grant for the BRT project.