



## Legislation Text

---

File #: [19-0879], Version: 1

---

### **Authorize the Town Manager to Execute a Contract with Gillig LLC to Purchase New Battery-Electric Buses.**

#### **Staff:**

Brian Litchfield, Director  
Rick Shreve, Financial Analyst  
Kathryn McMillan, Procurement Specialist

#### **Department:**

Transit

**Overview:** The Town of Chapel Hill must continue to acquire and maintain a modern fleet of buses to provide the best and most reliable transit services to its customers. In an effort to meet sustainability goals while reducing carbon emissions, Transit staff have been working over the last several months on procuring Battery-Electric Buses for the communities we serve.

#### **Recommendation(s):**

That the Council authorize the Town Manager to execute a five-year contract with Gillig LLC to purchase three battery-electric buses and charging units with the option to purchase an additional nineteen buses.

#### **Background:**

Chapel Hill Transit has been a leader in North Carolina in using hybrid bus and bus-related technologies and has invested in clean diesel technologies that have greatly reduced bus emissions while working to expand transit services. With the advancements in battery-electric technology for the transportation industry, exploring the environmental benefits and feasibility of expanding to a battery-electric fleet is the next step in Chapel Hill Transit's evolution. Using funding provided by the Federal Transit Administration (FTA) No-Low Emission Grant, the Renewable Energy Special Projects Committee (RESPC) at UNC Chapel Hill, and the Chapel Hill Transit funding partners, we plan to purchase three battery-electric buses as part of a pilot study to investigate further the benefits, obstacles, and infrastructure demands of owning and operating battery-electric buses.

Awarding a contract for the purchase of battery-electric buses to a qualified vendor is the first step in the pilot project. At this time, Transit Staff have completed the solicitation process and have received bids from two qualified battery-electric bus manufacturers, New Flyer of America and Gillig LLC. The bids were evaluated for cost, compliance to the bus specifications published as part of the solicitation, submission of all required federal forms, information on quality assurance systems, and financial capacity of the supplier. Based on these factors and the "lowest responsible bidder" standard of award required by North Carolina State Purchasing Law (G.S. 143-129), Transit Staff is recommending the award of the contract to Gillig LLC.

#### **Key Issues:**

- Chapel Hill Transit has a continued need to modernize their fleet in order to meet the goals of our customers and funding partners.
- There is a growing demand to pursue alternative bus technology that reduces Transit's carbon footprint while still maintaining excellent service for customers.
- Lack of award and issuance of a purchase order could result in the loss of the FTA No-Low Emission

Grant.

- Town and NC State Procurement Law require board approval for the award of purchase contracts over \$90,000.

**Fiscal Impact/Resources:** Transit estimates that it will place orders for three buses and the required charging units over the next twelve months with the option to purchase an additional nineteen over the next five years based on the availability of funds. The estimated amount for the initial purchase of three pilot buses is \$978,025 per bus (estimated total of \$2,833,775) and would be funded through an FTA Low -No Emission Vehicle Grant, the RESPC, and the Chapel Hill Transit funding partners. Total award potential over the next five years is \$22,000,000, pending the results of the pilot project and availability of funds.



**Attachments:**

- Resolution

**A RESOLUTION AUTHORIZING THE TOWN MANAGER TO NEGOTIATE AND EXECUTE A FIVE-YEAR CONTRACT WITH GILLIG LLC TO PURCHASE NEW, BATTERY-ELECTRIC BUSES AND CHARGING UNITS (2019-10-30/R-3)**

WHEREAS, the Town of Chapel Hill is responsible for providing quality fixed-route transit services for the Town of Chapel Hill, the Town of Carrboro, and The University of North Carolina at Chapel Hill; and

WHEREAS, the Town of Chapel Hill has operated the public transit system, Chapel Hill Transit, since 1974 and has shared the costs with the Town of Carrboro and The University of North Carolina at Chapel Hill; and

WHEREAS, the Town of Chapel Hill has a continued need to maintain and modernize their fleet; and

WHEREAS, Chapel Hill Transit plans to purchase a minimum of three battery-electric buses as part of a pilot project with the goal of reducing carbon emissions, reducing noise, and reducing costs; and

WHEREAS, Chapel Hill Transit Staff has conducted a public solicitation; and

WHEREAS, All bids were evaluated for cost, compliance to the bus specifications published as part of the solicitation, submission of all required federal forms, information of quality assurance systems, and financial capacity of the supplier.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council authorizes the Town Manager to negotiate and execute a five-year contract with Gillig LLC. for the purchase of three battery-electric buses and charging units with the option to purchase an additional nineteen buses.

This the 30<sup>th</sup> day of October 2019.

---

**The Agenda will reflect the text below and/or the motion text will be used during the meeting.**

By adopting the resolution, the Council authorizes the Town Manager to negotiate and execute a five-year contract with Gillig LLC to purchase three battery-electric buses and charging units with the option to purchase an additional nineteen buses.