



Transit Board Meeting
AGENDA

**AMES TRANSIT AGENCY
BOARD OF TRUSTEES**

CYRIDE CONFERENCE ROOM – February 4, 2022

1. CALL TO ORDER: 9:00 a.m.
2. Public Comments
3. Battery Electric Bus Facility Improvements Project Budget Amendment
4. Adjourn

February 4, 2022
Battery Electric Bus Facility Improvements
Project Budget Amendment
CyRide Resource: James Rendall

BACKGROUND:

At the meeting on January 26, 2022, the Transit Board approved the release of plans and specifications for the CyRide Battery Electric Bus Facility Improvements project. This project supports facility modifications and the electrical equipment installation needed to charge the battery electric buses currently scheduled to arrive in the summer of 2022.

Final facility designs for this project were created on an accelerated timetable due to the recent selection of the depot charger equipment. As a result, final cost estimates were not available for the Transit Board meeting on January 26, 2022. However, the architecture and engineering firm communicated that they considered the original estimate for the project to be valid.

Following the Transit Board meeting, the A&E firm notified CyRide staff that the approved project budget would not be sufficient to fund the entire project. An updated estimate from the A&E firm indicated that the project budget should be \$298,161, including 8% in contingency funding. Price increases in electrical equipment primarily drove this cost difference.

For reference, the originally approved budget is shown below.

| Description | Federal Funds | Local Funds | Total |
|-----------------------|---------------|-------------|------------------|
| Facility Construction | \$129,370 | \$22,830 | \$152,200 |

CyRide staff recommends two supplemental funding sources be used to address this issue. First, there is \$44,000 in savings in the battery electric bus depot charger line item due to a favorable bid. Using this funding source will maximize grant funding that would otherwise not be utilized. Second, staff recommends using \$101,961 from the Operations Fund closing balance. The City of Ames audit process has not yet concluded, but CyRide anticipates that the closing balance will have an uncommitted amount of \$1,500,106 above the Transit Board directed 10%.

| Description | Federal Funds | Local Funds | Total |
|---|------------------|------------------|------------------|
| Facility Construction | \$129,370 | \$22,830 | \$152,200 |
| Depot Charger – Savings from Favorable Bid | \$37,400 | \$6,600 | \$44,000 |
| Transfer from Operations Fund Closing Balance | - | \$101,961 | \$101,961 |
| Total | \$166,770 | \$131,391 | \$298,161 |

Combining these two sources would be sufficient to address the estimated budget shortfall and allow the project to be released for bid on schedule. Furthermore, CyRide can reallocate the unused depot charger savings to facility construction without formal Transit Board approval to maximize federal and state funding sources.

Given the volatile bidding climate, there is a possibility that this updated estimate may still not be sufficient to support this project. As previously reported at the October 28, 2020, Transit Board meeting CyRide received \$390,000 in a Volkswagen Settlement Grant award that replaced some of the local funding in this project. If bids exceed the project budget, the Transit Board could authorize the reallocation of a portion of these funds from the Operations Fund closing balance to this project.

ALTERNATIVES:

1. Approve reallocating \$101,691 from the Operations Fund closing balance, increasing the Battery Electric Bus Facility Improvements project budget to \$298,161.
2. Direct staff to proceed according to Transit Board priorities.

RECOMMENDATION:

The Transit Director recommends approval of Alternative #1. Using a portion of the Operations Fund closing balance in excess of 10%, along with the savings from the depot charger budget, will allow this important project to proceed on schedule.