



STAFF REPORT

June 14, 2021

TITLE:

Passenger Shuttle Bus replacements for Buses #54 & 140

RECOMMENDATION:

Approve the replacement reserve purchase of two shuttle buses, one 4-WD and one 2-WD at a total budget not to exceed \$312,000.

BACKGROUND:

Tahoe Donner currently owns four passenger shuttle buses. They are used at the Downhill and Cross Country Ski Areas in the winter months, and for Day Camps, Recreation activities, the Beach Club, and special events in the spring, summer and fall. All our shuttle buses are 2-wheel drive which can be challenging during the winter months. Over the past 5 years, the demand for shuttle buses to accommodate the programs and services has increased significantly. New programs included Truckee Thursdays shuttle service, expanded Day Camp and Recreation program offerings, remote parking service for the Cross Country ski area, J1 employee transport, etc. During this time, we have expanded the fleet from 2 to 4 buses. With the addition of the Beach Club shuttle service this summer, having dependable operating buses is even more critical to our operations.

Supply of shuttle buses at this time is incredibly tight. Several components are nearly impossible to get, so when a bus becomes available, we need to be prepared to purchase. Unfortunately, this has also impacted the price of new buses as will be discussed later.

The two buses scheduled for replacement this year are:

Shuttle Bus #54 is a 2002 Ford E450 with an El Dorado cabin capable of carrying 22 passengers. The mileage on the bus is over 86,000 miles. The cabin is showing significant signs of wear, especially of the seats and flooring. The wheelchair lift is no longer compliant to current code specifications. The bus entry steps are also rusting out and the entry doors have a hard time closing properly. Estimated resale value of this bus is \$3,000-\$4,000.

Shuttle Bus #140 is a 2010 Ford E450 with a Goshen cabin capable of carrying 20 passengers. The mileage on the bus is over 67,000 miles. The cabin is also showing signs of wear on the interior and exterior with signs of rot. The wheelchair lift is also no longer compliant to current code specifications. The bus seats are showing considerable wear. The estimated resale value of this bus is \$4,000-\$5,000.

ANALYSIS:

As we researched shuttle bus replacement, several options were discussed. These are listed below:

- Size – given the narrow nature of several of our parking areas and some of our aggressive transitions, a 24-passenger bus is the largest we can consider.
- 4-WD – This option would be tremendously helpful during the winter months. Especially since we have begun transporting our J1 employees to the ski area each day and to the grocery store once a week. During storm cycles, the morning pickup can be quite



challenging as the shuttle is driven all over Tahoe Donner to pick up these employees. This also opens Reno as a housing option in the future.

- Electric – another great option to reduce the carbon footprint of the association.

As these options were quoted, it became clear that there would be significant budget impacts on top of the already increasing shuttle bus prices. These impacts are discussed below.

OUTREACH:

Staff has discussed the needs of our shuttle buses internally. The recommended action in this report would satisfy the requirements of our operations. Winter operating managers expressed a large desire to include a 4-WD option. The budget impacts are significant and detailed in the “Alternatives” section.

FISCAL IMPACT:

The fiscal impact of replacing our two shuttle buses with two similarly equipped vehicles follows:

2021 Reserve Replacement Budget for bus #1: **\$115,945**

2021 Reserve Replacement Budget for bus #2: **\$116,153**

Total for one 2021 F550 24 passenger buses (with \$2,900 contingency): **\$140,000**

Total for one 2021 F550 24 passenger 4-WD bus: **\$172,000**

With the existing budget of \$232,100, staff is requesting the approval of an additional \$80,000 to move forward with the replacement of two shuttle buses. The 2-WD bus chassis is not currently available and would be built upon signing a contract with a 6 – 10 month lead time. The 4-WD bus chassis is currently available but would also require a lead time of 3-4 months to complete.

ALTERNATIVES:

There are a few alternatives:

- Option 1: If we choose to purchase **TWO (2) 2-WD** buses, the additional funding requirement on top of the 2021 approved reserve replacement amount would drop from \$80,000 to \$48,000. This is a better solution from a budget perspective, but will not provide an operational enhancement.
- Option 2: If we chose to purchase **TWO (2) 4-WD** buses, the additional funding requirement on top of the 2021 approved reserve replacement amount increase from \$80,000 to \$112,000. This is an ideal option for operations, but the cost overrun to budget is significant.
- Option 3: If we chose to purchase electric buses, the additional cost beyond budget would be \$386,000, and these buses are only available in 2-WD at this time. Additionally, we would incur infrastructure costs to install charging stations. Staff does not consider this an appropriate financial or operational option.

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General Manager Approval to Place on the Agenda: _____