



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 01/27/2026

**REQUESTER:** Taylor Johnson, AICP, Transit and Parking Program Manager

**PRESENTER:** Scott Sturtz, P. E., Public Works Director

**ITEM TITLE:** CONSIDERATION OF ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF AUTHORIZATION TO PURCHASE ONE (1) NEW CNG CUTAWAY TRANSIT BUS TO REPLACE UNIT 5-2471 IN THE PARATRANSIT FLEET FROM TESCO IN THE AMOUNT OF \$192,455 UTILIZING THE STATE OF OHIO CONTRACT NUMBER DOT24824-3; AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The Federal Transit Administration (FTA) Grants for Buses and Bus Facilities Program (49 U.S.C. 5339) makes federal funding resources available to states and direct recipients to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities including technological changes or innovations to modify low or no emission vehicles or facilities. Funding is provided through formula allocations (5339(a)) and competitive grants (5339(b)). A sub-program, the Low- or No-Emission Vehicle Program (5339(c)), provides competitive grants for bus and bus facility projects that support low and zero-emission vehicles.

On June 27, 2019, the City of Norman was recognized by the FTA as an eligible recipient of federal transit funds and is an eligible applicant of the Low- or No-Emission Vehicle Program. FTA circular *FTA C 5010.1F Award Management Requirements* dated November 1, 2024 issues guidance for the management of all FTA assistance programs including the Low- or No-Emission Vehicle Program (5339(c)).

On April 11, 2023, Council approved Resolution R-2223-117 authorizing staff to apply for Low- or No-Emission Vehicle Program (5339(c)) funding to purchase six CNG cutaway buses for the paratransit fleet as replacements for vehicles that had reached their useful life according to the FTA. On June 26, 2023, the FTA awarded the City's grant application for the purchase at a price of \$180,340 per unit, or a total of \$1,082,040 for all six units purchased, which was then authorized by Council on June 11, 2024 with the adoption of Resolution R-2324-149.

Staff worked with Transportation Equipment Supply Company (TESCO) to determine the specifications of the buses and develop the purchase through the Ohio Department of Transportation Cooperative Purchasing Program using Ohio State Contract DOT24824-3. After the purchase was authorized a single change order was approved through a City Manager memo dated August 22, 2024, increasing the cost per bus by \$1,110 for a final invoiced price per bus

of \$181,450 and a grand total of \$1,088,700 for the six units purchased. The final grant share per bus was \$135,255 federal and \$46,195 local match, for a total grant share of \$811,530 federal and \$277,170 local.

## **DISCUSSION:**

Unit 5-2471, one of the vehicles acquired through the R-2324-149 purchase authorization, was delivered to the City of Norman on March 28, 2025. Additional aftermarket upfitting of the vehicle, such as installing routing technology hardware and radios, was completed before the vehicle entered service on June 2, 2025.

Just eight weeks after entering service, on July 28, 2025, unit 5-2471 was parked facing westbound on Tecumseh Drive, staging between service trips, when it was struck in a head-on collision with another vehicle actively attempting to elude authorities. The driver of the other vehicle fled the scene on foot, but according to the arrest report was later charged with nine offenses including: eluding a peace officer- collision resulting in great bodily injury; failure to carry security verification- no insurance; leaving the scene of an accident involving injury; unsafe lane use; and operating a moving vehicle in unsafe condition. Officers confirmed the other vehicle was not insured.

Once the vehicle was released from police hold, City Fleet staff began assessing damage and seeking quotes for repair. Multiple vendors, including the manufacturer, declined to provide a quote for repair instead flatly assessing the vehicle as 'totaled'. The frame of the vehicle sustained extensive damage requiring the entire chassis or cab structure to be replaced. The estimates that were obtained ranged from approximately \$50,000 to \$100,000 and included caveats that costs would likely increase as more damage was expected to be discovered in the course of any repair.

The unit was originally purchased from TESCO for \$181,450, of which \$135,255 was federally funded and represents the Federal Transit Administration's (FTA's) federal interest. Due to the casualty nature of the loss, as an FTA grant recipient the City of Norman is required to either return \$135,255 to the FTA to reimburse the federal interest in the unit or transfer that federal interest to the acquisition of a new replacement vehicle under the FTA's Like-Kind Exchange Policy as outlined in *FTA C 5010.1F Award Management Requirements* dated November 1, 2024.

A quote of \$192,455 for a single unit has been received from TESCO for a like-kind replacement using the same specifications from the previous purchase. The City would be responsible for the full purchase price of unit 5-2471 (\$181,450) without additional grant assistance to satisfy the FTA's existing federal interest. Funding is available in the Public Transportation Fund (Fund 27) balance to cover the full \$192,455 quoted price for this vehicle replacement.

## **RECOMMENDATION:**

1. Staff recommends that City Council authorize the purchase of one (1) new CNG cutaway transit bus to replace unit 5-2471 in the paratransit fleet from TESCO in the amount of \$192,455 utilizing Ohio State Contract DOT24824-3.

2. Staff recommends a budget appropriation of \$192,455 from the Public Transportation Fund (Fund 27) balance to Service Equipment-Bus account 27550276-45007.