



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 10/13/2026

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 5-2065 IN THE PARATRANSIT FLEET FROM TESCO IN THE AMOUNT OF \$197,401 UTILIZING THE STATE OF MICHIGAN CONTRACT; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT, EXECUTE, AND FILE A FEDERALLY COMPLIANT PROCUREMENT ON BEHALF OF THE CITY OF NORMAN WITH THE UNITED STATES DEPARTMENT OF TRANSPORTATION USING FEDERAL TRANSIT ADMINISTRATION GRANT FUNDING; AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

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 recipient of the 5339(a) Bus and Bus Facilities formula allocated grant program with partial grant funding available from federal fiscal years FFY22, FFY23, and FFY25. Eligible activities for this program include capital projects to replace, rehabilitate, and purchase buses, vans, and related equipment, and to construct bus-related facilities, including technological changes or innovations to modify low or no emission vehicles or facilities. The maximum federal cost share for this grant can be 85% which would require a minimum 15% local match.

DISCUSSION:

Vehicle replacement is critical to operate and maintain a safe, reliable, and cost-effective transit system. As the City of Norman replaces the vehicles in its transit fleet, staff has and will continue

to identify opportunities to offset the cost of replacement by combining federal and local funds. City of Norman paratransit unit 5-2065 is the last unit in the current transit fleet which has reached its FTA useful life but does not yet have a replacement on order.

While staff have identified an appropriate manufacturer, grant funding, and procurement avenues, local match funding was denied in the FY27 budget process. Staff have identified local match funding within the FY27 operations budget from a balance carried forward from the FY26 bus operations contract with Embark that ended under its not-to-exceed budget.

A quote of \$197,401 for a single unit has been received from Transportation Equipment Supply Company (TESCO) to replace this unit with a CNG cutaway transit bus using the same specifications from the most recently approved purchase. This unit will include the same equipment that is currently standard across the transit fleet such as an integrated Angeltrax camera surveillance system, a 1,000lbs capacity Braun wheelchair lift, and Q-Straint wheelchair restraint systems. Staff propose using existing FTA Grants for Buses and Bus Facilities Program (5339(a)) funding for this procurement with a proposed cost share of \$167,790 federal (85%) and \$29,611 local match (15%), rounded to full dollar amounts.

Currently the State of Oklahoma does not have a robust, heavy-duty transit vehicle state contract, however, staff have developed this procurement, with assistance from the manufacturer TESCO, using Michigan State Contract 250000000581 through Michigan's State to State Extended Purchasing Program.

Michigan State Contract 250000000581 was bid to meet proper Federal Transit Administration (FTA) requirements, however, following detailed review staff identified certain FTA clauses, 'Domestic Preferences for Procurements' and 'Solid Wastes (Recovered Materials),' which were not specifically included. Guidance from the FTA region VI office, which Norman reports to, advised to include the missing clauses as additional terms and conditions with the issuance of a purchase order. Michigan State Contract 250000000581 satisfies Norman's code section 12-204(b4) independent of the additional terms and conditions.

Funding is available in the Public Transportation Fund (Fund 27) Misc. Services – Transit Op Contract operations (account 27550277-44766) to cover the local match amount of \$29,611 for this vehicle replacement. Staff request that funding from the Capital Fund Balance is temporarily transferred to cover the reimbursable grant funding of \$167,790.

RECOMMENDATION:

1. Staff recommends that City Council authorize the purchase of one (1) new CNG cutaway transit bus to replace unit 5-2065 in the paratransit fleet from TESCO in the amount of \$197,401 utilizing Michigan State Contract 250000000581.
2. Staff recommends that City Council authorize the City Manager or their designee to submit, execute, and file a federally compliant procurement on behalf of the City of Norman with the United States Department of Transportation (USDOT) using Federal Transit Administration (FTA) (5339(A)) grant funding.
3. Staff recommends a budget transfer of \$29,611 from the Public Transportation Fund (Fund 27) Misc. Services – Transit Op Contract operations (account 27550277-44766) to

the Public Transportation Fund (Fund 27) Service Equipment-Bus capital outlay (account 27550276-45007).

4. Staff recommends a budget appropriation of \$167,790 from the Capital Fund Balance (Fund 50) (account 50-29000) to FTA Fleet Grant account Service Equipment-Bus (account 22550070-45007). Upon receipt of the grant funds, they will be deposited into Special Revenue Fund Other Revenue – FTA Fleet Conversion (account 225-333389) and transferred back to the Capital Fund.