



Agenda Item No. 2.a.

To: Finance-Auditing Committee/Committee of the Whole
Meeting of March 27, 2008

From: Gene Walker, Maintenance Manager, Bus Division
Susan C. Chiaroni, Deputy General Manager, Bus Division
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
a) BUDGET ADJUSTMENT IN THE FY 07/08 BUS TRANSIT DIVISION
CAPITAL BUDGET FOR THE PURCHASE OF A FILTER CLEANING
STATION AT THE SAN RAFAEL BUS FACILITY

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors approve a budget adjustment in the FY 07/08 Bus Transit Division Capital Budget, in the amount of \$45,465, relative to the purchase of a Bus Filter Cleaning Station at the San Rafael Bus Facility.

Summary

The adopted the FY 07/08 10-Year Capital Plan, includes funds for a Filter Cleaning Station at the San Rafael Bus Facility as part of the Particulate Matter (PM) Traps project, which is 80 percent federally funded and 20 percent District funded. The project was programmed to occur approximately two years into the future.

The Bus Transit Division now desires to move forward the project and proceed at this time with purchase of the Filter Cleaning Station for \$56,831.25 and an increase in the Bus Division Capital Budget in the amount of \$45,465 is required at this time. The balance required to purchase this equipment, \$11,366.25, is included in the FY 07/08 Bus Division Capital Budget through savings from FY 07/08 capital equipment purchases. Federal funds in the amount of \$45,465 have been secured to support this purchase.

The procurement of the Filter Cleaning Station is being conducted through a sole source methodology consistent with District policy and already approved by the District's attorney. Procurement of the Filter Cleaning Station, with the resulting in-house cleaning capability, will result in an annual cost savings of \$30,000.

As part of the District's commitment to comply with California Air Resources Board regulations relative to nitrous oxide (NOx) and PM, the Bus Maintenance Department has purchased and

installed forty-six (46) high efficiency diesel particulate filters on Golden Gate Transit MCI buses. The filters reduce NOx by 25 percent – 30 percent and PM by 85 percent.

A key component to the efficient, long lasting operation of the filters is proper maintenance. Annual cleaning or de-ash maintenance is required to keep the filters in good working order. Currently the filter cleaning process is outsourced and has proven to be costly as well as time prohibitive, due to long lead times by the contractor. The Filter Cleaning Station the District is interested in procuring will allow the District to thoroughly clean the filters itself at a considerable savings.

Fiscal Impact

This item authorizes an increase to the FY 07/08 Bus Transit Division's Capital Budget in the amount of \$45,465. The total cost of the Filter Cleaning Station is \$56,831.25, and is 80 percent (\$45,465) federally funded and 20 percent (\$11,366.25) District funded. The \$11,366.25 local share is available in the Bus Transit Division's FY 07/08 Capital Budget.