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Agenda Item V. 11. June 23, 2026

PROPOSED RESOLUTION

**AUTHORIZATION TO ENTER INTO CONTRACT WITH NORTHEASTERN BUS
REBUILDERS TO PERFORM RIOC'S TWO BUSES (10&11) MIDLIFE OVERHAULS**

RESOLVED by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York ("RIOC"), as follows:

- Section 1. that RIOC is hereby authorized to enter into contract with Northeastern Bus Rebuilders to perform RIOC's Two buses (10&11) midlife overhauls upon such terms and conditions outlined in the Memorandum from Mary C. Cunneen, Chief Operating Officer and Vice President, to the Board of Directors and B. J. Jones, President and Chief Executive Officer, dated June 3, 2026, attached hereto;
- Section 2. that the President/Chief Executive Officer or President's designee is hereby authorized to take such actions and execute such instruments as deemed necessary to effectuate the foregoing; and
- Section 3. that this resolution shall take effect immediately.



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MEMO

TO: RIOC Board of Directors, B.J. Jones, President and CEO

FROM: Mary C. Cunneen, Chief Operating Officer and Vice President

DATE: June 3, 2026

RE: Authorization to Engage with Northeastern Bus Rebuilders to Perform Mid-Life Bus Overhauls (MLBO)

Background:

The Roosevelt Island Operating Corporation (“RIOC”) has maintained a Red Bus service for island residents and visitors for several decades. This service, which operates from 5:30 a.m. to 3:00 a.m. daily, features seven stops connecting the North and South ends of the island. The fleet comprises 40-foot ADA-accessible transit buses and a 14-passenger shuttle bus. Currently, RIOC relies on seven (7) buses to sustain this service.

The average lifespan of a passenger bus is 10-12 years with regularly cycled preventative maintenance under ideal circumstances such as full mechanical staff and spare buses to provide seamless service to our residents.

To address preventative maintenance proactively, RIOC has adjusted its driver/operation schedule, coordinated with the appropriate fleet supervisor and created availability for scheduled maintenance.

In addition to regular preventative maintenance, industry practice calls for a MLBO between years 5-8 of a bus’s lifespan to extend its longevity.

Bus #10 (2018 New Flyer bus) and Bus #11 (2018 New Flyer bus) are in the range to each receive a MLBO. Completing the recommended overhauls will extend the lifespans of these two assets, enhance fleet reliability, and simultaneously provide a more cost-effective option than purchasing two new buses.

Procurement Process:

Northeastern Bus Rebuilders (“NEBR”) is a certified rebuilder of New Flyer buses, providing maintenance and repair services to The Port Authority of New York and New Jersey,

New York City Transit (“NYCT”) and other public transit agencies in the region. Through recent conversations with NYCT, RIOC has confirmed that the pricing provided by NEBR was consistent with current maintenance procurements. Notably, NYCT’s bus fleet is significantly larger and includes maintenance equipment beyond RIOC’s fleet requirements. However, the maintenance pricing offered to RIOC remains steady and unchanging, demonstrating that the proposed cost is competitive, reasonable and reflective of the current market.

This purchase is being conducted through a single-source procurement with NEBR, a certified New Flyer rebuilder that has reliably performed MLBO and other complex maintenance services on RIOC’s bus fleet. Maintaining the same and certified maintenance provider creates significant benefits to RIOC including but not limited to technical support and enhanced maintenance practices due to NEBR’s familiarity with RIOC’s fleet. NEBR also offers a reasonable two-month turnaround time per bus. To maintain uninterrupted service, RIOC will send one bus at a time for a MLBO.

The total cost estimate provided by NEBR for both MLBOs is \$621,000. The scope of each MLBO includes engine remanufacturing, a cost-effective measure which restores the engine to manufacturer performance specifications at a significantly lower cost than replacement and body work with wrap. The proposal includes a negotiated two-year warranty covering the engine and parts, and a one-year warranty covering transmission, parts and labor. The pricing also reflects increased costs for parts and labor rates relative to 2025. RIOC has added a 15% contingency, to cover any unforeseen repairs due to the age of the buses and minimize delays.

Item	Cost
New Flyer Xcelsior XD40 (Bus 10)	\$310,500
New Flyer Xcelsior XD40 (Bus 11)	\$310,500
Subtotal	\$621,000
Contingency (15%)	\$93,150
Total	\$714,150

Recommendation:

Based on NEBR’s status as a certified New Flyer bus rebuilder, ability to meet RIOC’s schedule, and NEBR’s proven quality of service, it is recommended that the Board of Directors authorize RIOC to enter into contract with NEBR for the total cost of \$714,150.