#### Business Item Item: 2008-215

# Transportation Committee

## Meeting date: August 11, 2008 For Metropolitan Council meeting: August 27, 2008

ADVISORY INFORMATION	
Date:	August 4, 2008
Subject:	Authorization to Exercise Gillig Contract Options to Replace Plymouth
	Buses
District(s), Member(s):	All
Policy/Legal Reference:	Council Procurement Policy; Council Item #2007-331; Council Item #
	2008-154; Council Contract #07P162;
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754)
	Chris Gran, Director of Purchasing – Metro Transit (612-349-5060)
	Gerri Sutton, Assistant Director MTS (651-602-1672)
	Alex Curtiss, Manager, MTS Fleet Services (651-602-1487)
Division/Department:	Metropolitan Transportation Services (MTS)

#### **Proposed Action**

That the Metropolitan Council authorize the Regional Administrator to exercise existing options on contract #07P162 with Gillig Corporation to purchase thirteen forty-foot transit buses in an amount not-to-exceed \$5,075,000.

#### Background

The Council awarded contract #07P162 to Gillig Corporation in October 2007. The contract includes the purchase of 314 forty-foot buses with an option for up to an additional 300 forty-foot buses. Staff must receive Council approval prior to the exercise of options.

Metro Transit has determined that there are nineteen uncommitted forty-foot diesel bus options on the Gillig contract and have offered them to MTS to satisfy regional fleet needs. Plymouth Metrolink has fifteen large transit buses scheduled for replacement in 2008 and prefers that MTS and Metro Transit staff lead the procurement process. Thirteen of the fifteen replacement buses are included in this action item. Staff will seek authorization to exercise the remaining two options upon approval of an amendment to the 2008 Authorized Capital Program in September 2008.

Council staff will work with Plymouth to match vehicle specifications with their service needs. The base price on this contract for a diesel bus is \$345,324 (plus \$8,080 for warranty and \$3,200 for delivery). Per the terms of the agreement, pricing on option buses is subject to a Producer Price Index escalation. The exact adjusted price of these option buses will be established when the option is exercised.

#### Rationale

The buses requested in this action will replace thirteen regional fleet vehicles assigned to Plymouth Metrolink. This capital project was included in the 2008-2013 Capital Improvement Plan and amended into the Authorized Capital Plan under Council action item #2008-154 on June 25, 2008.

### Funding

Regional Transit Capital funds will be used to purchase these vehicles as approved under Council action item #2008-154.

#### **Known Support / Opposition**

There is no known opposition.