

T Transportation Committee
Meeting date: March 28, 2011
Council Meeting: April 13, 2011

ADVISORY INFORMATION

Date:	March 23, 2011
Subject:	Rescission of BI 2010-302 and Authorization to exercise Contract Options with Motor Coach Industries
District(s), Member(s):	District 4 – Van Eyll
Policy/Legal Reference:	Council Policy 3-4-3a, Council Contract #08P114, Fleet Management Procedures
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Gerri Sutton, MTS Asst. Director (651-602-1672) Alex Curtiss, Manager, Fleet Services (651-602-1487)
Division/Department:	Metropolitan Transportation Services (MTS)

Proposed Action

That the Metropolitan Council:

1. Rescind Business Item 2010-302 authorizing the Council to enter into a grant agreement with SouthWest Transit to purchase one double-decker bus; and
2. Authorize the Regional Administrator to exercise an existing contract option on contract #08P114 with Motor Coach Industries to purchase one coach bus in an amount not to exceed \$550,000.

Background

The Council awarded contract 08P144 to Motor Coach Industries in January 2009. The contract includes the purchase of 26 forty-five foot buses with an option for up to an additional 86 forty-five foot buses. Staff must receive Council approval prior to the exercise of options. The base price on this contract for a diesel bus is \$525,949.52. 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

SouthWest Transit will add service at a new Chanhassen Station park-and-ride in late 2011 using five additional buses. The Council originally approved the purchase of four MCI coach buses (BI 2010-300) and a grant for one double-decker bus (BI 2010-302) to meet this need. Following Council approval, SouthWest Transit became aware of potential federal compliance issues with the double-decker bus purchase. Per the attached memo, SouthWest Transit has elected to abandon the plan to purchase the double-decker bus and instead will opt for a fifth MCI coach bus.

This request reflects the Council’s commitment to regional transit investments and is in alignment with the objective of the unified capital programming process.

Funding

The purchase of this vehicle is included in the 2011 Authorized Capital Program. The funding will be split using 80% federal CMAQ funds with a required local match of 20% using Regional Transit Capital (RTC).

Known Support / Opposition

No known opposition.



SOUTHWEST TRANSIT

MEMORANDUM

TO: SouthWest Transit (SWT) Commission
FROM: Dave Jacobson, COO
DATE: March 1, 2011
SUBJECT: Fulfill Bus Order

REQUESTED ACTION:

That the SouthWest Transit Commission rescinds Resolution 10-44 and hereby authorizes the purchase of an additional MCI coach at a price not to exceed \$550,000. The Commission further authorizes the Chief Executive Officer to execute a contract for the purchase of the MCI coach.

BUDGET IMPACT

The Metropolitan Council and SouthWest Transit agreed upon \$800,000 for the purchase of an Alexander-Dennis (AD) double deck bus, the fifth of a five bus order by SWT. However, there were potential issues with the AD bus meeting its Buy America requirements thus terminating the sale.

Instead of the fifth bus being an AD double deck bus that was originally planned, the fifth bus would instead be an MCI coach that would be ordered upon Commission authorization through a piggy back process with the Metropolitan Council as the other four buses were purchased. Due to timing of the bus order, it would have to include a 2010 engine. The cost of the 2010 engine adds approximately \$20,000 to the purchase price of the previous models due to new environmental protection agency (EPA) requirements. The previous four buses, purchased through the Metropolitan Council, were 2009 models that were not required to meet the new EPA specifications. There would be additional costs also included in the 2010 vehicle such as inflation and material costs. The Metropolitan Council will establish the base price of the vehicle.

BACKGROUND:

The funding for the buses came from a Congestion Mitigation Air Quality (CMAQ) grant that had its local share initially revoked by the Metropolitan Council. A negotiated agreement that reduced the original 10 bus expansion purchase to a five bus purchase, including local match, was arrived at that included four MCI coaches and one AD double deck bus. The first four buses arrived on Wednesday February 23rd from MCI. The purpose of this requested action is to change direction for the AD double deck bus and pursue a fifth bus to complete the five bus order as agreed upon between the Met Council and SWT.

RECOMMENDATION:

That the SouthWest Transit Commission rescinds Resolution 10-44 and hereby authorizes the purchase of an additional MCI coach at a price not to exceed \$550,000. The Commission further authorizes the Chief Executive Officer to execute a contract for the purchase of the MCI coach.

Attachment: Resolution 11-13