

Meeting date: May 23, 2011

Metropolitan Council Meeting: June 8, 2011

ADVISORY INFORMATION

Date:	May 13, 2011
Subject:	Procurement of Metro Mobility Vehicles
District(s), Member(s):	All
Policy/Legal Reference:	State of Minnesota Cooperative Vehicle Procurement Release B-347(5) and Regional Fleet Management Procedures
Staff	Arlene McCarthy, Director MTS (651)602-1754
Prepared/Presented:	Micky Gutzmann, Director of Purchasing (651)602-1741 Gerri Sutton, Asst. Dir. Contracted Transit Services (651)602-1672 Paul Colton, Sr. Manager – Metro Mobility (651)602-1668
Division/Department:	Metropolitan Transportation Services (MTS) - Metro Mobility

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a purchase agreement with Hoglund Bus Company Inc. (State of MN Contract 444438) for up to six (6) buses in an amount not to exceed \$405,000.

Background

The demand for Metro Mobility rides increased by more than six percent over the past two years, and continues on an upward trend, driving the need for additional vehicles. The six vehicles in this request increase the overall size of the Metro Mobility fleet and preserve the Council adopted spare ratio for Metro Mobility of ten percent. Five of the vehicles requested will be gasoline-powered buses delivered in the third quarter of 2011. One of the vehicles will be a gas/electric hybrid bus purchased with remaining federal American Recovery and Reinvestment Act (ARRA) funding and will be delivered in the fourth quarter of 2011.

Rationale

Metro Mobility's core providers, Transit Team and First Transit, operate small buses that often exceed 300,000 miles before being retired. Given the extensive wear these vehicles endure, the preservation of an adequate number of spares is paramount to service reliability. Council policy calls for a Metro Mobility spare ratio of at least ten percent. Currently, on high demand days, the spare factor drops down to seven percent. Six additional buses allow for greater service flexibility and reduced risk of in-service failures.

Purchasing off of the state contract is consistent with past fleet purchases and meets Council, state and federal procurement requirements.

Funding

Funding for this purchase is included in the Council's 2011 Unified Capital Program as amended on April 27, 2011. This purchase will utilize federal ARRA funds in the amount of \$62,228 which represents 49% of the hybrid vehicle cost. The purchase of the electric hybrid bus will close out the Council's ARRA grant for purchasing ten electric hybrid buses. The remaining \$342,772 in funding for the hybrid bus and the five gas-operated vehicles will be financed from Regional Transit Capital funds.

Known Support / Opposition

No known opposition.