

T Transportation Committee
For the Metropolitan Council meeting of March 30,
2011

ADVISORY INFORMATION

Date March 15, 2011
Prepared:
Subject: Authorization to Exercise Contract Options with Gillig Corporation

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to exercise an existing contract option with Gillig Corporation to purchase five forty-foot buses in an amount not to exceed \$2,100,000.

Summary of Committee Discussion / Questions:

Alex Curtiss, MTS Manager Fleet Services, presented this item to the committee.

Munt stated that she is aware that New Flyer is a Minnesota-manufactured product and asked why the contract is being awarded to Gillig. Curtiss responded that the 40' bus contract is competitively procured. New Flyer was able to bid on the contract; Gillig was awarded the contract. MTS utilizes the option on the Gillig contract. Lamb added that there is a Buy America clause in our contracts, requiring that more than 50% of the manufacture must be within the U.S. Both New Flyer and Gillig comply with the Buy America requirements. State preferential treatment cannot be given when using federal funds. He added that all of the articulated buses are from New Flyer.

Doàn asked how this purchase fits into the plan for transitioning the fleet to more 60' articulated buses. Lamb responded that staff tries to match the right type of vehicle with the service needs that are presented. There will always be a need for the 40' standard bus on routes without the highest ridership – the demand for a larger bus is not there. McCarthy added that articulated buses cost more both from the initial purchase and to operate. Lamb stated that the 2010 versions of all buses have the highest EPA standards; the emissions from 2008 for either hybrid or diesel buses is cleaner than the air on Nicollet Mall. The difference in cost from a 40' diesel to a 40' hybrid is \$180,000. Each year Metro Transit looks at how many hybrid buses can be purchased.

Motion by Brimeyer, seconded by Smith, motion passed unanimously.

Motion by Brimeyer, seconded by Duininck and passed, that this item can proceed to the full Council as a Consent Item.

T Transportation Committee

Meeting date: March 14, 2011
Council meeting: March 23, 2011

ADVISORY INFORMATION

Date:	March 8, 2011
Subject:	Authorization to Exercise Contract Options with Gillig Corporation
District(s), Member(s):	All
Policy/Legal Reference:	Council Policy 3-4-3a; Contract #07P162, Fleet Management Procedures
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Micky Gutzmann, Acting Director Contract and Procurement (651-602-1741) Gerri Sutton, Assistant Director MTS (651-602-1672) Alex Curtiss, Manager Fleet Services (651-602-1487)
Division/Department:	Metropolitan Transportation Service (MTS)

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to exercise an existing contract option on contract 07P162 with Gillig Corporation to purchase five forty-foot buses in an amount not to exceed \$2,100,000.

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. MTS has five forty-foot buses scheduled for replacement in 2011. The base price on this contract for a diesel bus is \$404,606. Per the terms of the agreement, pricing on option buses is subject to a Producer Price Index escalation. The exact adjusted price of these buses will be established when the option is exercised.

Rationale

The buses requested in this action will replace five regional fleet vehicles assigned to MTS contractors that are eligible for replacement in 2011.

Funding

This capital project was previously included in the Metropolitan Council's Capital Improvement Plan and amended into the Authorized Capital Program on September 8, 2010, with Business Item 2010-261. These vehicles will be funded with \$1,680,000 (80%) Section 5307 Federal Formula funds and a required local match of \$420,000 (20%) Regional Transit Capital bonds.

Known Support / Opposition

There is no known opposition.