

# T Transportation Committee

For the Metropolitan Council meeting of January 11, 2012

Item: 2011-353

Consent

**ADVISORY INFORMATION**

Date Prepared: December 13, 2011

Subject: Authorization to Exercise Contract Options with Motor Coach Industries

**Proposed Action:**

That the Metropolitan Council authorize the Regional Administrator to exercise existing contract options on contract 08P114 with Motor Coach Industries (MCI) to purchase six coach buses in an amount not to exceed \$3,244,800.

**Summary of Committee Discussion / Questions:**

Alex Curtiss, MTS Fleet Manager, presented this item. The motion was made, seconded and passed with no discussion or objection.

Hearing no objection, Chair Elkins stated that this item could proceed to the full Council as a consent item.

# T Transportation Committee

Meeting date: December 12, 2011

Metropolitan Council meeting January 11, 2012

## ADVISORY INFORMATION

Date:	November 29, 2011
Subject:	Authorization to exercise Contract Options with Motor Coach Industries
District(s), Member(s):	All
Policy/Legal Reference:	Council Procurement Policy, Council Contract #08P114, 2012 Operating Budget
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Micky Gutzmann, Purchasing Director (651-602-1741) Gerri Sutton, Assistant Director MTS (651-602-1672) Alex Curtiss, Manager, Fleet Services (651-602-1487)
Division/Department:	Metropolitan Transportation Services (MTS)

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to exercise existing contract options on contract 08P114 with Motor Coach Industries (MCI) to purchase six coach buses in an amount not to exceed \$3,244,800.

### Background

The Council awarded contract 08P144 to MCI in January 2009. The contract includes the purchase of 26 forty-five foot diesel buses with an option for up to an additional 86 buses. Staff must receive Council approval prior to the exercise of options. The base price on this contract is \$532,933.14 per bus. 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

These coach buses will replace six coach buses assigned to SouthWest Transit (SWT). The Council's Fleet Management Procedures, adopted in September 2010, specify that the Capital Improvement Program (CIP) will program coach buses for a 14-year replacement cycle except for these six SWT model year 2000 buses which will be replaced at 12 years. The Fleet Management Procedures also called for the Council to conduct an American Public Transportation Association (APTA)-led national peer of the region's coach buses and make a recommendation on the programmed 14-year life for coach buses. The peer review was conducted earlier this year and the final report is anticipated within the next month from APTA. The peer review panel's recommendation at the exit conference supported the adopted 14-year programmed life for coach buses, but noted that models prior to 2003, when extensive use of stainless steel framing became the norm, could be considered for replacement at 12 years. The six buses that will be replaced with this approval are 2000 models and will have reached the federally required 12-year minimum life when retired.

This investment reflects the Council's commitment to maintain and preserve regional transit investments and is in alignment with the objectives of the unified capital programming process.

**Funding**

These vehicles will be purchased with Regional Transit Capital (RTC) funds. The capital project and related funding were authorized in Council Action Item 2011-286 titled "Unified Capital Program Amendment" which was approved by the Council on November 9, 2011.

**Known Support / Opposition**

There is no known opposition.