

Meeting date: February 12, 2007

ADVISORY INFORMATION	
Date:	February 2, 2007
Subject:	Procurement of Metro Mobility Buses and Other Regional Fleet Small Buses
District(s), Member(s):	All
Policy/Legal Reference:	State of Minnesota Cooperative Vehicle Procurement contract numbers 437102, 437103.
Staff Prepared/Presented:	Arlene McCarthy, Director of MTS (651-602-1754) Chris Gran, Director of Purchasing – Metro Transit (651-349-5060) Dave Jacobson, General Manager – Metro Mobility (651-602-1664) Paul Colton, Manager, Provider Operations – Metro Mobility (651-602-1668) Andrew Krueger, MTS Fleet Manager (651-602-1808)
Division/Department:	Metropolitan Transportation Services/Metro Mobility

Proposed Action/Motion

That the Regional Administrator be authorized to execute purchase agreements from the following vendors for small buses in dollar amounts not to exceed:

1. North Central Bus Sales (437102) for 25 Metro Mobility buses in an amount not to exceed \$1,173,000.
2. North Central Bus Sales (437102) for one Regional Fleet bus not to exceed \$84,000.
3. Hoglund Bus Co. Inc. (437103) for 55 Metro Mobility buses in an amount not to exceed \$2,986,000.

Issue(s)

The Metro Mobility Agency fleet is currently owned by the contractor, Laidlaw Transit Services, Inc. The operating agreement with Laidlaw expires in September 2007. Under the new Agency agreement and with the purchase of these vehicles, ownership of the vehicles will change to the Metropolitan Council. Through this capital purchase, Metro Mobility will accomplish the following:

- Shift capital costs from the operating budget to the capital budget.
- Eliminate payment of pass through financing costs associated with service contractors owning and financing a fleet.
- Improve standardization of bus fleet in terms of option items added to the standard base vehicle.
- Significantly improve passenger safety by eliminating 15 passenger vans that do not meet Federal roll over safety standards.
- Improve flexibility to deploy vehicles as needed between Metro Mobility's Demand and Agency services.
- All vehicles providing Metro Mobility service will be readily recognized by customers and care givers as such. Under the current arrangement, service vehicles are branded as Laidlaw vehicles. This will help reduce confusion by customers, caregivers and the general public.

Overview and Funding

This bus acquisition utilizes the State of Minnesota Cooperative Vehicle Procurement Contract Release #B347(5). This contract covers 2007 model year accessible small and mid-sized body on chassis buses and medium duty accessible buses. This procurement process has simplified the purchase process, is compliant with all State and Federal regulations, and provides the Metropolitan Council with very competitive and stable pricing.

Capital funding for these purchase agreements are outlined in the Adopted 2007 Authorized Capital Program and Capital Budget adopted on December 13, 2006.

The combined contracts under this request represent \$4,243,000 in small bus purchases for 2007.