

T Transportation Committee

Business Item

Item: 2009-152

Meeting date: April 27, 2009

Council Meeting: May 13, 2009

ADVISORY INFORMATION

Date:	April 20, 2009
Subject:	Procurement of Metro Mobility Buses
District(s), Member(s):	All
Policy/Legal Reference:	State of Minnesota Cooperative Vehicle Procurement contract number 438835
Staff Prepared/Presented:	Arlene McCarthy, Director MTS (651)602-1754 Chris Gran, Director of Purchasing – Metro Transit (612)349-5060 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 Høglund Bus Company Inc. (MNDOT Contract 440473) for up to 16 buses in an amount not to exceed \$1,745,000 contingent upon approval of Council capital amendment business item 2009-121.

Background

This procurement is in alignment with the bus replacement schedule established for Metro Mobility. Fifteen of the buses will be electric/hybrid operated systems and one bus will be a gasoline-only vehicle. All buses will utilize a 10% ethanol fuel mix. Buses will be delivered in Fall 2009. The chassis will be manufactured by Ford and the bus body will be manufactured by Turtle Top.

The gasoline-only bus will be used in a pilot project with Eaton Corporation. Eaton will install, at their cost, a demonstration hydraulic launch system using hydraulic fluid that is pumped to the drive wheels when accelerating from a stop. This system will be monitored closely for fuel savings, improved brake life and other maintenance savings. This may prove to be a cutting edge lower cost fuel savings option in the future.

Rationale

The purchase of these buses is in alignment with the planned fleet replacement cycle allowing for a reliable Metro Mobility bus fleet and is consistent with past fleet purchases. Buses that are scheduled for replacement will have exceeded mileage thresholds of 275,000 – 375,000 miles. This will be the first purchase of electric/hybrid vehicles in the Metro Mobility fleet which is consistent with the Council's and the State of Minnesota's "Go Green" initiatives.

It is conservatively estimated that these buses will obtain a 27% increase in fuel efficiency over standard gasoline buses. In addition to fuel savings, it is expected that brake life will increase 75%, and the engine and transmission will each have an extended life of up to 25%. By incorporating these buses into the fleet, Metro Mobility will reduce up to 200 tons in carbon dioxide emissions over the life of each vehicle. The additional cost of the electric/hybrid system is \$45,000. The Turtle Top has been tested and rated as a 7-year bus which is two years greater than current buses used in the Metro Mobility fleet. Analysis indicates estimated payback on the electric/hybrid components to break even with fuel at \$2. and an \$11,000 savings over the life of the bus with fuel at \$3 per gallon.

Funding

This bus acquisition utilizes the State of Minnesota Cooperative Vehicle Procurement Contract Release #B-347(5). This procurement is compliant with all State and Federal regulations, and provides the Metropolitan Council with competitive pricing. The MNDOT vehicle contract expires on December 31, 2009.

Capital funding, utilizing federal ARRA stimulus funds, for this purchase agreement is provided for in Council Business Item 2009-121 titled “Unified Capital Improvement Plan and Capital Program and Budget Amendment”. The addition of federal ARRA stimulus funds allows for the hybrid upgrade to these replacement buses. Following the capital budget amendment approval by the Council on May 13, 2009, the Council will enter into a contract with Hoglund Bus.

Known Support / Opposition

No known opposition.