

T Transportation Committee

Business Item

Item: 2010-300

Meeting date: August 23, 2010

Council meeting: September 8, 2010

ADVISORY INFORMATION

Date:	August 14, 2010
Subject:	Authorization to Exercise Contract Options to Purchase Coach Buses
District(s), Member(s):	All
Policy/Legal Reference:	Council Procurement Policy; Council Contract #08P114
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Chris Gran, Director of Purchasing – Metro Transit (612-349-5060) Gerri Sutton, Assistant Director MTS (651-602-1672) Alex Curtiss, Manager MTS Fleet Services (651-602-1487)
Division/Department:	Metropolitan Transportation Services (MTS)

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to exercise an existing contract option with Motor Coach Industries (MCI) to purchase eight coach buses in an amount not to exceed \$4,040,000.

Background

The Council awarded Contract #08P114 to MCI in January 2009. The contract includes the purchase of 26 forty-five foot coach buses with options of up to an additional 86. Council approval is required to exercise contract options.

SouthWest Transit is in need of four expansion buses. These coach buses will be used for new service from the Chanhassen park and ride facility (Market Station) currently under construction. Maple Grove is programmed to receive four replacement buses in 2011. These buses will replace four forty-foot Gillig buses that have met the Federal Transit Administration minimum requirement of twelve service years.

The contract base price per bus is \$504,925. Per the terms of the agreement between the Metropolitan Council and MCI, pricing on option buses is subject to a Producer Price Index (PPI) adjustment. For August 2010 the PPI is -.4591% bringing the price down to \$502,607. The notice to proceed will be issued in September 2010 and the appropriate PPI will be applied to the base price for a maximum amount per bus.

SouthWest Transit is working directly with MCI to make modest changes to the specifications. MCI has not provided the revised cost estimate and it may be necessary to purchase some ancillary items such as radios and security cameras independent of the bus purchase.

Rationale

SouthWest Transit will add service in 2011 using four coach buses and one double-decker bus through the support of a Congestion Mitigation and Air Quality (CMAQ) grant. Maple Grove will use the new buses to preserve current service levels. This request reflects the Council's commitment to regional transit investments and is in alignment with the objectives of the unified capital programming process.

Funding

The purchase of these vehicles is included in the 2010 Authorized Capital Program. The funding for the buses assigned to SouthWest Transit will be split using 80% federal CMAQ funds with a required local match of 20% using Regional Transit Capital (RTC). The buses assigned to Maple Grove service will be funded in full with RTC.

Known Support / Opposition

There is no known opposition.