

T Transportation Committee
Metropolitan Council meeting of February 23, 2011

Item: 2011-49

CONSENT

Date February 1, 2011
Prepared:
Subject: Authorization to Amend Contract with MCI to Allow Price Increase
Related to 2010 EPA Emission Regulations

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to amend the bus purchase contract with Motor Coach Industries (MCI) to increase the per unit vehicle contract price by \$21,720 in order to comply with 2010 Environmental Protection Agency (EPA) emissions standards.

Summary of Committee Discussion / Questions:

Council member Scherer asked how many buses were subject to the price increase, and Chuck Wurzinger answered that it applied to the single bus MTS is purchasing. He also said that 26 buses were purchased originally under this contract and that 86 option buses were available, although a small number of those have been purchased. The price increase will apply to future buses purchased under this contract, just as similar price increases have applied to Gillig and New Flyer buses purchased recently.

Council member Steffen asked how long this price would remain applicable. Chuck Wurzinger answered that the only price increases allowed under the contract are those related to the Producer Price Index or regulations changes such as the 2010 EPA emissions changes.

A motion was made by Councilmember Aguilar, seconded by Councilmember Steffen, and then approved unanimously.

T Transportation Committee
Meeting date: February 14, 2011
Metropolitan Council Meeting: February 23, 2011

ADVISORY INFORMATION

Date: February 1, 2011
Subject: Authorization to Amend Contract to Comply with 2010 Environmental Protection Agency Emissions Regulations
District(s), Member(s): All
Policy/Legal Reference: Council Expenditure Policy
Staff Prepared/Presented: Brian Lamb, Metro Transit General Manager, 612-349-7510
Vince Pellegrin, Chief Operations Officer, 612-349-7511
Julie Johanson, Deputy Chief Operations Officer –Bus, 612-349-7514
Chris Gran, Director Purchasing, 612-349-5060
Jan Homan, Director Bus Maintenance, 612-349-5000
Chuck Wurzinger, Asst. Director Bus Maintenance, 612-349-5007
Division/Department: Metro Transit and Metropolitan Transportation Services

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to amend the bus purchase contract with Motor Coach Industries (MCI) to increase the per unit vehicle contract price by \$21,720 in order to comply with 2010 Environmental Protection Agency (EPA) emissions standards.

Background

Transit buses must meet the EPA emissions standards which took effect in January 2010. Bus manufacturers must design and install exhaust after-treatment systems in their buses to meet these new standards.

Metropolitan Transportation Services is ordering a bus under the Council's contract with MCI which will involve a vehicle price increase due to the EPA mandate. This contract contains a clause that provides for the price adjustment related to the new EPA emissions regulations.

Rationale

Staff has reviewed the detailed price change information with MCI and the engine manufacturer, and finds that the recommended price increase is fair and reasonable. The price increase will add approximately four percent to the per-unit vehicle price.

Funding

Funding is included in the Council capital budget.

Known Support/Opposition

There is no known opposition to the proposed action.