

T Transportation Committee
For the Metropolitan Council meeting of April 11, 2012

ADVISORY INFORMATION

Date Prepared: April 2, 2012

Subject: Authorization to Execute Contract Options with Gillig

Proposed Action:

That the Metropolitan Council authorize the Regional Administrator to exercise purchase options on contract 07P162 with Gillig Corporation to purchase three forty-foot buses in an amount not to exceed \$1,320,000.

Summary of Committee Discussion / Questions:

This item was approved as part of the Consent Agenda at the Transportation Committee.

Motion by Commers, seconded by Munt and passed.

T Transportation Committee

Meeting date: March 26, 2012

Council Meeting: April 11, 2012

ADVISORY INFORMATION

Date:	March 15, 2012
Subject:	Authorization to Execute Contract Options with Gillig
District(s), Member(s):	All
Policy/Legal Reference:	2012 Capital Program, BI 2011-259, Contract 07P162
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Micky Gutzmann, Director of Procurement (651-602-1741) Gerri Sutton, MTS Asst. Director (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 purchase options on contract 07P162 with Gillig Corporation to purchase three forty-foot buses in an amount not to exceed \$1,320,000.

Background

The Council awarded contract 07P162 to Gillig Corporation in October 2007. The contract includes the purchase of 314 forty-foot buses with an option for up to an additional 300 forty-foot buses. Staff must receive Council approval prior to the exercise of options. Maple Grove has three large transit buses scheduled for replacement in 2012. The base price on this contract for a diesel bus is \$413,283. 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 options are exercised.

Rationale

The buses requested in this action will replace three buses assigned to Maple Grove that will reach 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

This capital project was previously included in the Metropolitan Council's Capital Improvement Plan and amended into the Authorized Capital Program with BI 2011-259 on Oct 26, 2011. These replacement vehicles are funded with 80% Section 5307 Federal Formula Funds and 20% required local match of Regional Transit Capital Bonds.

Known Support / Opposition

There is no known opposition.