

# Committee Report

Transportation Committee



Committee Meeting Date: July 10, 2023,

For the Metropolitan Council: July 26, 2023

## Business Item: 2023-151

Purchase of 6 Low Floor Small Buses – MVTA

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a contract with North Central Bus for up to 6 accessible low floor buses in an amount not to exceed \$1,500,000.

### Summary of Transportation Committee Discussion/Questions

Metropolitan Transportation Services Fleet Services Manager Paul Colton presented this item. There were no questions.

Motion by Carter, Toni, seconded by Dolkar. Motion carried, Consent to Council.

**Note:** Prior to the Transportation Committee's consideration of Business Item **2023-151**, the Committee rescinded Business Item **2023-127** which was previously adopted by the Committee. On June 26, 2023, Business Item **23-127** was approved by the Committee to authorize the purchase of 6 accessible low floor buses from Model 1, formerly Creative Bus Sales. Before the business item went to the full Council, staff were informed that the company was unable to sell buses in Minnesota. The Committee had to rescind Business Item **2023-127**, before considering Business Item **2023-151**.

Vento made a motion, seconded by Carter, Toni to rescind the previously adopted Business Item 2023-127.

Carter, Toni asked if it's a recent occurrence that this company is unable to sell in Minnesota or has it been the case before. Colton provided the following background: Model 1 has a dealer license with Arboc Bus (the manufacturer); a local Minnesota vendor, North Central Bus, also has a dealer license to sell Arboc buses. When Model 1 went to place an order for the Council buses, Arboc Bus would not allow that order because Model 1's dealer license does not allow it to sell in Minnesota because North Central Bus has a local contract under which the Council can buy the buses. The Council originally worked with Model 1 because 6 months ago North Central Bus stated it was not able to get any low floor buses from Arboc Bus, so that is when staff started to look for other vendors and turned to Creative Bus Sales which did not share at the time or did not know it could not sell in Minnesota. In addition, as of last month, Chevrolet became Buy America eligible which allows vehicles to be built on Chevrolet chassis-and meet the Buy America requirements because the Council is using federal funding. This increase in the number of available Chevrolet chassis out in the market allowed Arboc Bus to plan for bus production dates, which allowed Arboc Bus to commit to delivery dates with North Central Bus.

**Motion carried.**

# Business Item

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<b>District(s), Member(s):</b>	4 – Deb Barber, 12 – Sue Vento, 15 – Tenzin Dolkar, 16 – Wendy Wulff
<b>Policy/Legal Reference:</b>	FM 14-2 Expenditures for Procurement of Goods, Services, and Real Estate Policy; Minn. Statute § 471.345
<b>Staff Prepared/Presented:</b>	Charles Carlson, Executive Director MTS (651) 602-1761 Gerri Sutton, Director, MTS Contracted Services (651) 602-1672 Paul Colton, Fleet Manager MTS Contracted Services (651) 602-1668
<b>Division/Department:</b>	Transportation / Metropolitan Transportation Services (MTS)

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a contract with North Central Bus for up to 6 accessible low floor buses in an amount not to exceed \$1,500,000.

### Background

The 6 buses will be used in MVTA fixed route service and will replace 6 buses that have exceeded their useful life. This project aligns with the Capital Improvement Plan (CIP). These vehicles have a seven-year useful life. It is anticipated that the new buses would be delivered in the second quarter of 2024.

The Council was originally pursuing the purchase of the 6 needed buses through a different vendor. The Transportation Committee approved business item 2023-127 at its June 26, 2023, meeting, to enter into an agreement to purchase these 6 buses from Model 1 (formerly Creative Bus Sales). The following day, however, Model 1 informed staff that it was not eligible to sell Arboc buses to the Council because a local vendor, (North Central Bus), is the authorized dealer to represent Arboc Buses in Minnesota. Arboc has strict dealer license agreements which protect a dealer's territory from other licensed dealers. As a result, the Council cannot proceed with the bus purchase from Model 1.

### Rationale

Purchase of these buses will allow MVTA to continue to maintain a state of good repair for its fleet. The Metropolitan Council is using the State of Minnesota Small Bus cooperative agreement to purchase these buses. The State of Minnesota Contract has been reviewed and includes all necessary federal clauses. The Council is an eligible public agency that may use this agreement. The Council has statutory authority under Minnesota Statutes Section § 471.345 to utilize such cooperative service agreements. The execution of a goods contract of more than \$500,000 requires Council approval.

### **Thrive Lens Analysis**

This purchase supports safe and reliable transit infrastructure now and into the future for transit passengers throughout the MVTA area (sustainability) and enhances the quality of life in the region by allowing for transportation options at the community and regional level (livability).

### **Funding**

This bus project is in the Authorized Capital Program (Project numbers 36216 [4 buses] and 36183 [2 buses] and will use federal and local funds.

### **Small Business Inclusion**

The Office of Equity and Equal Opportunity (OEEO) did not establish a Disadvantaged Business Enterprise (DBE) goal for this procurement. Transit vehicle manufacturers are required to submit DBE programs plans directly to FTA. The FTA maintains a list of approved transit vehicle manufacturers and the Council may only purchase transit vehicles from that list.

