

Business Item

Transportation Committee



Committee Meeting Date: March 11, 2024

For the Metropolitan Council: March 27, 2024

Business Item: 2024-24

Contract 22P373 North Central Bus - Amendment #1

District(s), Member(s):	All
Policy/Legal Reference:	FM 14-2 Expenditures for Procurement of Goods, Services, and Real Estate Policy Minn. Statute § 471.345
Staff Prepared/Presented:	Charles Carlson, Executive Director, MTS (651) 602-1761 Gerri Sutton, Director, Contracted Services MTS (651) 602-1672 Paul Colton, Manager, Fleet Services MTS (651) 602-1668
Division/Department:	Transportation / Metropolitan Transportation Services (MTS)

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute Amendment #1 to Contract 22P373 with North Central Bus to increase the number of buses purchased from 75 to 104 at a price increase of \$6,162,373 for a cumulative not to exceed contract amount of \$14,531,763.

Background

The Metropolitan Council Approved Business Item 2022-272 for the purchase of 75 small buses from North Central Bus on November 9, 2022, utilizing the State of Minnesota's 2022 Small Bus Cooperative pricing.

Since the original Council approval and through negotiation, MTS staff was able to secure more chassis than expected and shift buses from the 2023 contract order to 2022 at a lower cost per unit. The 2022 contract order was increased by 29 buses and includes Plymouth replacement buses, additional Metro Mobility replacement buses and new Micro Transit buses.

Since Council approval of these contracts in 2022, the State of Minnesota has worked with its small bus vendors, including North Central Bus, to review requested price increases that resulted from inflationary impacts and supply chain constraints. Areas resulting in price increase surcharges include air-ride suspension, 2024 Ford chassis, steel, stainless steel, fiberglass component parts, labor, and transportation. Even with these increases, the price per unit will be less than 2023 contract pricing.

Completing these bus purchases will help the Council provide a reliable fleet for the Metro Mobility and other transit programs to ensure quality transit service for customers. The buses that are scheduled for replacement have far exceeded the Council's replacement cycle of five years and 175,000 miles. A portion of the fleet now exceeds 500,000 miles.

This procurement uses the State of Minnesota's small bus contract which allows the Council to purchase small buses at a competitive price and meet all FTA requirements.

Rationale

The amendment of a goods contract exceeding 10% of the original authorized value requires Council approval. This approval is contingent on vendor price increase approval from the State of Minnesota Department of Administration and Council approval of 2024-15 JT 2024 Budget Amendment – Carryforward/1st Quarter.

Thrive Lens Analysis

This purchase supports safe and reliable transit infrastructure now and into the future for transit passengers throughout the region (sustainability) and enhances the quality of life for individuals with disabilities, allowing for transportation options (livability).

Funding

The additional funding for these vehicles will come from Regional Transit Capital. These bus projects are included in Business Item 2024-15 JT 2024 Budget Amendment – Carryforward/1st Quarter. The projects are included in the Council's Authorized Capital Program under projects 36182, 36202, 36213, 36217, and 36242.

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.

