

T Transportation Committee

Meeting date: February 27, 2012

Council Meeting: March 14, 2012

ADVISORY INFORMATION

Date:	February 17, 2012
Subject:	Authorization to Execute Contract Options with MCI
District(s), Member(s):	All
Policy/Legal Reference:	Council Procurement Policy, Council Contract 08P114, 2012 Capital Plan
Staff Prepared/Presented:	Arlene McCarthy, MTS Director (651-602-1754) Micky Gutzmann, Director Contracts and 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 08P114 with Motor Coach Industries (MCI) to purchase six coach buses in an amount not to exceed \$3,244,800.

Background

The Council awarded contract 08P114 to MCI in January 2009. The contract includes the purchase of 26 forty-five foot buses with options of up to an additional 86 forty-five foot buses. Staff must receive Council approval prior to the exercise of options. The base price on this contract for a diesel bus is \$526,645. 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

These coach buses will replace six 40-foot transit buses assigned to Maple Grove that will reach the federally required 12-year minimum life when retired. Higher capacity coach buses are being purchased due to growing ridership demand and trip distance. 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 2011-286 on November 9, 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 to this item.