

**Transportation Committee**

Meeting date: January 28, 2013,  
For the Council Meeting of February 13, 2013

**ADVISORY INFORMATION**

<b>Date:</b>	January 20, 2013
<b>Subject:</b>	Authorization to Exercise Contract Options with Gillig, Inc.
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	2013 Capital Program
<b>Staff Prepared/Presented:</b>	Arlene McCarthy, MTS Director (651-602-1754) Gerri Sutton, MTS Asst. Director (651-602-1672) Alex Curtiss, Manager, Fleet Services (651-602-1487)
<b>Division/Department:</b>	Metropolitan Transportation Services (MTS)

**Proposed Action**

That the Metropolitan Council authorize the Regional Administrator to exercise purchase options on contract 09P060 with Gillig Corporation, contingent upon approval of BI 2013-34, to purchase 16 thirty-foot buses in an amount not to exceed \$5,960,000.00.

**Background**

The Council awarded contract 09P060 to Gillig Corporation in December 2008. The contract includes the purchase of eight buses with an option for up to an additional 25 thirty-foot buses. Staff must receive Council approval prior to the exercise of options. The Council has exercised eight of the 25 options to date. The base price on this contract is \$305,449. Per the terms of the contract, pricing on option buses is subject to a Producer Price Index escalation. In addition, pricing is adjusted to reflect new emissions standards. The current price per bus is \$321,618. The exact adjusted price will be established when the options are exercised.

**Rationale**

The buses requested in this action will replace thirty-foot and forty-foot MTS transit buses that will have reached the end of their service life in the third and fourth quarters of 2014. The conversion of some forty-foot buses to thirty-foot buses and planned delivery date of these buses aligns with the proposed bus route service restructuring associated with the start-up of Green Line light rail transit service in mid-2014. 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**

These replacement buses were previously included in the Metropolitan Council's Capital Improvement Plan. The funding for the 16 replacement vehicles is available using \$5,960,000 of RTC funds. Purchase of these buses is subject to approval of BI 2013-34 requesting amendment of this project into the Authorized Capital Program.

**Known Support / Opposition**

No known opposition.