

Transportation Committee

Meeting date: September 23, 2019

For the Metropolitan Council meeting of October 9, 2019

Subject: Minneapolis Bus Garage Construction, Contract 19P000

District(s), Member(s): District 7, Robert Lilligren

Policy/Legal Reference: Council Expenditure Policy 3-3, Procurement of Goods and Services

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Division/Department: Metro Transit Engineering & Facilities

Proposed Action

That the Metropolitan Council authorizes award and execution of contract 19P000 with Knutson Construction in the amount of \$114,482,840.00 for the construction of the Minneapolis Bus Garage (Heywood Expansion/Electric Bus Infrastructure – Project #62312).

Background

The Minneapolis Bus Garage will provide additional bus storage, operations and support functions, and maintenance space to support continued growth in ridership demand and upcoming service expansion. Metro Transit's existing five bus garages have already exceeded their optimal capacity. By 2032, the fleet is projected to grow by 185 buses, including electric buses, to support a service expansion to connect more people to work, school, healthcare, recreation, and other destinations.

Metro Transit is now close to being inhibited from adding any additional peak buses to the maximum 750 buses driven during rush hour. The insufficient capacity prevents the execution of Metro Transit's Service Improvement Plan (SIP), which consists of service investments requiring 154 additional peak (rush hour) buses (185 including spares). Included in the plan is eleven Arterial Bus Rapid Transit (ABRT) lines, two new Bus Rapid Transit (BRT) lines, additional local bus service routes and increased frequency of existing urban routes. These improvements will provide enhanced service to the entire region to allow better access to work, school, healthcare, and other destinations.

The Minneapolis Bus Garage will address current garage capacity limitations and situate the agency to proactively plan to accommodate the anticipated fleet expansion over the next fifteen years. The new facility is the most cost-effective long-term solution for our agency to continue providing excellent service to the diverse constituents of the metropolitan region.

The Invitation for bid (IFB) was advertised on May 29, 2019. There were fifty-five (55) plan holders, Procurement facilitated a public bid opening on July 11, 2019 when five (5) bids were received. The Office of Equal Opportunity set a Disadvantaged Business Enterprise (DBE) goal of fifteen (15) percent. Knutson Construction was the Lowest, Responsive, and Responsible bidder and is being recommended for award.

Rationale

The execution of a construction contract exceeding \$2,500,000 requires Council approval.

Thrive Lens Analysis

This action promotes **Stewardship and Prosperity** through needed facility expansion to support expanded bus service and transit way investments. The new Minneapolis Bus Garage will provide additional bus storage, operations and support functions, and maintenance space to support continued growth in ridership demand and upcoming service expansion. This project supports **Equity and Livability** by allowing the expansion of the bus fleet to increase Mobility and Access to Opportunities. It also promotes **Sustainability** by having a projected Energy Use Intensity below 50 kBtu/sf/yr and providing electrical service capacity to support up to 200 electric buses and chargers in the future.

Funding

Project funding is authorized and available within project 62312 with approval of 2019-205.

Known Support / Opposition

Support of the project has been demonstrated through the award of two competitive grants to contribute to the project funding. These applications included letters of support from the Federal level down to the local level. Multiple local agencies long range plans include expansion of the bus fleet to support long term growth in the region and this facility is needed to meet those plans. There is no known opposition to this project.

Known opposition to the award: Another bidder, AP Midwest, LLC, filed a lawsuit against the Council in Ramsey County District Court on September 18, 2019. AP Midwest is asking the court to stop the award of the contract.