

Metro Mobility Fleet Update

Transportation Committee

Paul Colton

February 13, 2023





Agenda

Setting the Foundation

Replacement Bus
Challenges

Financial Outlook

Other Mitigation Strategies

Questions

Setting the Foundation



Metro Mobility Fleet

- 629 vehicles (595 small buses & 31 SUVs)
- Useful life of small buses
 - FTA: 5 years or 150,000 miles
 - Council policy: 5 years and 175,000 miles
- 5-year replacement plan for budgeting purposes

Setting the Foundation (continued)

Metro Mobility Fleet

- MTS uses the State of Minnesota's annual Small Bus Contract to purchase Metro Mobility, Transit Link, and Suburban Transit Provider small buses
- Current Metro Mobility small bus fleet:

Model Year	Quantity	Average Miles Per Bus YE 2022
2014	3	400,458
2015	49	335,715
2016	83	319,777
2017	156	234,377
2018	99	135,324
2019	208	159,404

Council Replacement Policy: 5 years and 175,000 miles



Replacement Bus Challenges

2020

- No state contract in place
- 2014 & 2015 model year bus replacement deferred (52 buses)
- No new buses delivered

2021

- New state contract in place
- Placed order for 313 buses
- Supply Chain Impacts:
 - Ford chassis shortage; extremely limited production
 - Component shortages add to order backlogs
- No new buses delivered

2022

- 35% price increase on 2021 orders
- Ordered another 70 buses
- 67% price increases on 2022 orders
- Manufacturing delays continue
- No new buses delivered

Planned Bus Production

Production Timeline

- First new small bus, since 2019, arrived in Minnesota on January 31, 2023 (48 additional to arrive through Q2)
- Remainder of 2021 order (308 buses) expected to arrive by the end of Q1 2024
- 2022 bus orders (101) expected to start in Q2 or Q3 2024



Financial Outlook



- Bus pricing has increased in response to supply issues, high continued nationwide demand for van chassis and buses
 - 2019 pricing around \$71,000/bus (past inflation 2-4%)
 - 2021 contract pricing of \$85,000, increasing to \$115,000
 - 2022 contract pricing expected to increase to \$150,000
 - 2023 contract pricing potential of \$165,000/bus
- 2023 Carryforward Capital Budget amendment of \$15.7M to cover unanticipated price increases for 2021 & 2022 orders
- MTS will need an additional \$5M to cover 2023 increases and an estimated additional \$8M to address 2024 prices
- Prices are anticipated to stabilize after 2023 as supply chain recovers

Other Mitigation Strategies

- Exploring the market for readily available accessible vehicles
- Purchasing up to 20 minivans with side ramp
- MTS is supporting maintenance costs that are attributed to excess vehicle age and mileage
- Holding back retired buses for parts and body panels so repairs can be completed in a timely manner



Upcoming Council Actions

Contracts and Amendments

- Authorize budget amendments as needed and as funding allows
- Authorize minivan purchase - Q1 2023
- Authorize 2021 small bus contract amendments - Q2 2023
- Authorize 2023 small bus purchases - Q2 2023
- Authorize 2022 small bus contract amendments - Q3 2023
- Pending available funding:
 - Authorize partial 2024 Small Bus Purchase - Q3 2023
 - Authorize remaining 2024 Small Bus Purchase - Q1 or Q2 2024



Questions?

