

Business Item

Transportation Committee



Committee Meeting Date: July 10, 2023

For the Metropolitan Council: July 26, 2023

Business Item: 2023-126

Contract 21P304 Hoglund 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 authorizes the Regional Administrator to execute an amendment to Contract 21P304 with Hoglund Bus for a price increase of \$4,544,532 for a cumulative not to exceed amount of \$13,152,509.

Background

The Metropolitan Council Approved Business Item 2021-125 for the purchase of 99 small buses from Hoglund Bus on June 9, 2021, utilizing the State of Minnesota's 2021 Small Bus Cooperative Agreement. On June 9, 2023, the State of Minnesota approved the Hoglund Bus price increase. The increase includes several safety items MTS added to the bus order plus surcharges for the following items: body manufacturer, option items, 2024 Ford chassis. This price increase affects the following program bus purchases: Metro Mobility, Transit Link, MTS Fixed Route, SouthWest Transit.

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

Rationale

With significant supply chain issues, significant reduction in chassis production since 2021. It is critical that the Metropolitan Council continues to move forward with these bus purchases to 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.

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

In anticipation of these price increases the Metropolitan Council approved Business Item 2023-35 JT (2023 Budget Amendment – Carryforward) which authorized additional Regional Transit Capital funding to address the price increases for these projects. These projects have been updated in the current Capital Improvement Plan.

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.

