



Legislation Text

File #: 05240, **Version:** 1

Fiscal Note

The resolution authorizes participation in a bid process for the purchase of up to seventy-five (75) transit coaches in future years. The number of and funding for the coaches to be purchased each year will be subject to the Council's approval as part of the capital budget process.

Title

Authorizing the Transit Division to participate in a bid process procuring up to seventy-five (75) transit coaches.

Body

PREAMBLE

The replacement of buses is a major, on-going capital expense for the Metro Transit System. Each year the City's capital budget contains annual funding for replacing buses. Metro intends to go out to bid for a five-year contract for bus replacement. The Request for Proposals will cover both Clean Diesel coaches and Diesel-Electric Hybrid coaches.

Most of the buses in this order will operate on ultra-low-sulfur diesel (ULSD) fuel. The ULSD fuel cut soot emissions by about 10 percent when we converted in September 2005. When combined with the new generation of engines that will be required in January 2007, we expect emission reductions of up to 95 percent on these new buses.

Alternate Technologies: Metro Transit has begun the process of transitioning away from buses powered with traditional diesel engines. In this bid document, we plan to include an option that up to fifteen (15) of the seventy-five buses could be hybrids. Hybrid power is a good solution to fuel conservation and air pollution concerns in transit, at least until other developing technologies are perfected. There is a considerably higher purchase price for hybrid buses (approximately \$200,000 more per bus). Our decision on exercising the option will depend on the price of the hybrids, our experience with the five hybrids that will be delivered in 2007, and the availability of funding.

Multi-Year Request for Proposals: Metro uses a multi-year contract for bus manufacturing. Entering into multi-year procurement contracts is preferable for several reasons: 1) The procurement process for buses requires a large amount of staff time due to the complexity of the product, the condition of the bus manufacturing industry and the number of manufacturers, 2) lower prices are obtained because of the larger number of buses being ordered, 3) reduced operating costs because of the fleet standardization of a five year production order. The City of Madison, under the terms of the proposed bid, would procure up to 75 coaches over the five (5) year period of 2008 - 2012.

This bid will be released according to City of Madison purchasing procedures. The City Attorney's office will review the general terms and conditions before the bid is issued. The basis of the cost will be a fixed price for all buses throughout the term of the contract. Metro staff will provide on-site manufacturing inspection services.

NOW, THEREFORE BE IT RESOLVED, that the City of Madison is authorized to participate in a bid process to purchase up to seventy-five (75) coaches over a five (5) year period from 2008 through 2012, with an option for up to fifteen (15) of them being diesel-electric hybrid, subject to the Common Council appropriating funds and determining the number of buses to be procured as part of future year capital budgets and that the Transit General manager or his designee is authorized to represent the City in the contract process.