



Legislation Text

File #: 12127, **Version:** 1

Fiscal Note

Approval of this resolution will amend the Metro Transit 2008 Capital Budget by transferring \$119,000 from the Swiss Colony Park and Ride project, which is not going forward at this time, to support the purchase of transit coaches. No additional appropriation is required, nor is any impact upon cost controls anticipated.

Title

Authorizing the Mayor and City Clerk to amend the contract with Gillig Corporation for the manufacture and delivery of up to seventy-five (75) coaches and spare parts, and amending the 2008 Metro Transit Capital budget to transfer \$119,000 from the Swiss Colony Park and Ride to support the purchase of the transit coaches. The cost of the first order of buses is not to exceed \$7,040,000.

Body

PREAMBLE

The City of Madison executed a contract with Gillig Corporation on March 28, 2008 for the purchase of seventy-five (75) 40-foot low floor transit buses, diesel with diesel-electric hybrid options. The contract calls for the replacement of twenty-two buses in the first year, eleven in the second year, twelve in the third year, and fifteen in each of the last two years. At pre-production meetings with the manufacturer in August 2008, Metro made changes in some of the equipment in the buses, which resulted in a price adjustment of \$7,332 per coach (2.4% increase). The changes are to the wheelchair securement system, bicycle rack, interior lights, exterior mirrors, and camera system. Additionally, we learned that ordering farebox trim hardware through the bus manufacturer rather than independently would result in a cost savings. The contract with Gillig Corporation now needs to be amended to allow this additional expense.

WHEREAS, City has awarded contract to Gillig Corporation for the manufacture of seventy-five (75) buses, the first twenty-two to be manufactured for a price not to exceed \$310,000 per coach; and

WHEREAS the price of buses in subsequent production orders shall be the Base Order Price plus/minus any change which will be calculated based on a formula utilizing the U.S. Department of Labor/Bureau of Labor Statistics Producer Price Index (P.P.I.), Commodity Code 1413 "Truck and Bus Body." The change in this P.P.I. will be used to adjust the Base Order Prices. However in no event will the price(s) for any purchase order issued exceed, by more than 5 percent, the price(s) that would have been in effect twelve (12) months prior to the date of the issuance; and

WHEREAS, upgrades to the wheelchair securement system, bicycle rack, interior lights, exterior mirror, and camera system, and ordering of farebox trim hardware result in a final price of \$318,301.95; and

WHEREAS, \$6,921,000 was authorized by the Common Council for the 22 coaches in 2008;

NOW THEREFORE BE IT RESOLVED, that the Mayor and City Clerk are authorized to amend the contract with Gillig Corporation so that the first twenty-two buses can be manufactured for a price not to exceed \$7,040,000 (\$320,00 per unit); and

BE IT FURTHER RESOLVED that the Transit System 2008 Capital Budget be amended to transfer \$119,000 from the Swiss Colony Park and Ride to Transit Coaches.