

**To: Mayor and City Council Members**

**CC: Gregg Mandsager, City Administrator**

**From: Kristy Korpi, Transit Supervisor**

**Re: Request for authorization to issue purchase order for three Transit buses**

**Date: May 15, 2017**

**Introduction:** The City of Muscatine Transit (MuscaBus) has received notification of availability of funding for the purchase of three, light duty transit buses. The federal funding source is 5339 Bus and Bus Facilities Discretionary Grant Program Funds.

**Background:** This funding was acquired through the Iowa Rural Transit Vehicle Replacement Grant Award. Funding is at an 85% level. The City is responsible for the remaining 15% of the purchase cost. As Council may recall, the City's share of the purchase of three new buses was requested during Budget sessions. At the February 14, 2017 Council meeting, the Council agreed to accept funding.

**Recommendation/Rationale:** It is the recommendation of the Public Works/Transit staff to issue a purchase order in the amount of \$88,379.00 for one El Dorado Advantage 240 Transit bus including an electrical wiring diagram. The City is responsible for 15% of the purchase price or \$13,256.85 for the first bus. The price for the other two buses without the electrical wiring diagram is \$87,994.00 each or \$175,988.00 for both. The City is responsible for 15% of the purchases prices or \$13,199.10 for each, or \$26,398.20 for the 2<sup>nd</sup> and 3<sup>rd</sup> bus. The total cost of all three buses is \$264,367.00. The City's responsibility is \$39,655.05. We only require one electrical wiring diagram because all three buses are identical. The buses have been ordered from Thomas Bus Sales utilizing the Iowa DOT contract. They are 176" wheelbase, light duty gasoline buses.