



1459 Washington St.  
Muscatine, IA 52761-5040  
(563) 263-8933  
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**Public Works**

**City Transit**  
**263-8152**

**MEMORANDUM**

**Equipment Maintenance**  
**Roadway Maintenance**  
**Collection & Drainage**  
**Building & Grounds**  
**Engineering**

To: Gregg Mandsager, City Administrator  
CC: Fran Donelson, Secretary  
FROM: Randy Hill, Public Works Director  
DATE: June 4, 2013  
RE: Transit Vehicle Purchase

**INTRODUCTION:**

The City of Muscatine operates a public transit system known as MuscaBus and periodically replaces vehicles as needed and funds are available.

**BACKGROUND:**

The City's Transit Supervisor, Kristy Korpi, was notified that SAFETEA-LU funds were available to assist transit operations at 83% federal participation. The City is responsible for the 17% match. Money was originally allocated in the 2013/2014 budget, but because of the funding availability the Transit budget was amended to change the allocation to 2012/2013. Two existing transit buses, #238 & #239 have logged 221K miles apiece and meet the State's criteria for exhausting their useful life.

**RECOMMENDATION/RATIONALE:**

The City of Muscatine, along with 9 other agencies in the State of Iowa, is a member of a Cooperative Purchasing Agreement with the State of Minnesota. As such we are able to piggyback with the vendor chosen by Minnesota for transit vehicle purchases. We are requesting a Purchase Order in the amount of \$176,000 be issued to Høglund Bus Co. in Marshalltown, Iowa for two (2) 17 passenger Glaval buses. The City's portion is \$14,960 per bus – \$29,920 total.

**BACKUP INFORMATION:**

1. Kristy Korpi memo dated April 3, 2013
- 2.



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Public Works

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## MEMORANDUM

To: Gregg Mandsager, City Administrator  
Nancy Lueck, Finance Director

CC: Randy Hill, Public Works Director

FROM: Kristy Korpi, Transit Supervisor

DATE: April 3, 2013

RE: Funding for buses

Equipment Maintenance  
Roadway Maintenance  
Collection & Drainage  
Building & Grounds  
Engineering

I received notification from Iowa DOT Office of Public Transit that they have some contingency money remaining for vehicle replacement. They have utilized the PTMS list to fund the next ten vehicles on the list. MuscaBus' Bus #238 is number 2 in the ranking and Bus #239 holds the number 10 slot.

This funding is being awarded under SAFETEA-LU which is available at 83% federal participation. The City is responsible for the 17% match. The buses are \$88,000 each. The City's portion will be \$14,960 per bus, or \$29,920.00. This is 2% more than the original request made for the 2013/14 budget. The difference is the funding source, 5309 vs 5339 funding. I believe it is in the City's best interest to move forward with the purchase for the additional \$3520.00. We are currently assured the funding. With the implementation of MAP-21 and sequestration, there is no guarantee for 2013/2014 funding. Transit providers statewide, including MuscaBus are currently contacting state legislators requesting "backfill" for federal transit funding. There is no assurance the state will fill in the gap.

I would like to request that the funds requested in FY13-14 budget for vehicle replacement be made available in FY 2012-13 so we may move forward with replacing these vehicles. The funding is available for the current fiscal year. Don't hesitate to contact me with questions. Thanks for your consideration.