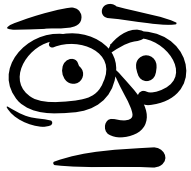


Questions that can't be answered:

Have you stopped telling lies? (Do I say "Yes" or "No"?)



Have you become smarter? (Do I say "Yes" or "No"?)



Will I get my bus anytime soon!!??



I don't know.....

Harinee S Iyengar

Vehicle Procurement Coordinator, Office of Transit and Active Transportation (OTAT), MnDOT

2020-2021 Vehicle Order Updates & Future Procurement challenges.



2020-2021 Vehicle Order Updates.

Section 5310		20	(Class 300: 3, Class 400: 16, Class 500: 1)
Section 5311		56	(Class 300: 1, Class 400: 54, Class 500: 1)
Section 5307		8	(Class 400 LF: 8)
CY 2020 Total		84	
Section 5310		21	(Class 300: 1, Class 400: 20)
Section 5311 - regular funding	58		(Class 300: 1, Class 400: 55, Class 500: 2)
Section 5311 - 5339 Funding	47	105	(Class 300: 1, Class 400: 37, Class 500: 9)
Section 5307		8	(Class 400: 2, Class 400 LF: 6)
CY 2021 Total		134	
Total number of buses ordered through the State Contract		218	

North Central Orders	CY 2020	69	
	CY 2021	108	177
Hoglund Orders	CY 2020	10	
	CY 2021	17	27
Telin Orders	CY 2020	5	
	CY 2021	5	10
United Bus Sales Orders	CY 2021	4	4
Total number of buses ordered through the State Contract		218	
Buses delivered already (Telin 1; North Central 10)		11	
	In Backlog	207	

Backlog Orders	207
Estimated to be delivered in 2023	47
Estimated to be delivered in 2024 & beyond	160

2020-2021 Vehicle Order Updates Continued.

Other States in Region 5 – Response to my email.

Ohio: “We are having the same – and repeated – issues with vendors stating they cannot honor prices. We have some PO orders being cancelled altogether by the vendor, and we are also constantly receiving new and higher pricing than what was contracted.....**ODOT has no viable solutions at this time. It has been frustrating to say the least. This is definitely a challenging time.**”

Indiana: “We’re still waiting for delivery of 65 body-on-van chassis vehicles (delivery was scheduled for summer 2021)..... On top of that, nobody knows when Ford will re-start production of the E-Series 350/450 cutaway chassis.....If the vendor can’t honor the original prices, we’ll have to do contract amendments. **We don’t have any other sources of funding to handle price increases.**”

You are
not alone
in this

Wisconsin: “We’ve had mid-contract price increases for our cutaway buses (Ford 450 chassis with a Forest River build on top) that occurred earlier in CY2022.....We worked with the vendors to do a Change Order process for the updated prices mid-contract..... and deemed it worthy to go ahead and agree to the new price (as opposed to rebidding). I have zero good answers, apologies! **We are stuck in the same frustrating mess and the subs are really suffering because of it.**”

Michigan: “We also have seen increases in body on chassis (BOC) buses as well as other types of vehicles that **range from 36 to 67% depending on the dealer/manufacturer.**”

Future Procurement challenges continued.

We have a very predictable future with a clear vision of the following:

- 2023 Extension – Prices are estimated to increase by at least 40% from 2022 prices.
- Chassis price increase, body manufacturers' price increase and optional equipment price increase – will continue.
- Mid-contract price amendments are expected to continue.
- Delivery ETA is at 18 to 24 months until the chassis and body manufacturers complete all the back logs

Overcoming these challenges:

- OTAT Director, Mark Nelson's email on 10/12/2022 – CTAA, APTA & AASHTO's combined letter to the Transportation Secretary Pete Buttigieg; a copy was shared with all the agencies. OTAT participated in the CTAA survey and signed the letter to the Transportation Secretary.
- Working with the Office of State Procurement & our vendors – who have contacted us – for the 2020-2021 price increase amendment request.
- Our agencies will get a communication from Mark Nelson in the upcoming weeks about the changes and options they have for their 2020-2021 orders.

Future Procurement challenges.

CTAA Nationwide Survey Results - CTAA Analysis: The Bus Purchasing Crisis

46% of respondents indicated the expected delivery wait time is 24 to 60 months.

52% of respondents had a bus contract, purchase or agreement voided or terminated in the calendar year 2022.



37 percent of the respondents are expecting small bus price increases of greater than 40 percent.

After all this.....my newfound favorite cut-away chassis with “real” horse-power.....



Thank you! For questions – you can come talk to me or email Harinee.Iyengar@state.mn.us.