



**September 12, 2019**

**To:** Transit Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Award of Agreement for the Purchase of Heavy-Duty Buses for iShuttle Service

### **Overview**

On April 8, 2019, the Orange County Transportation Authority Board of Directors approved the release of a request for quotes for the purchase of 12, 30 to 32-foot compressed natural gas-powered heavy-duty buses to support iShuttle service in the City of Irvine. As a result, quotes from qualified vendors under the California Association for Coordinated Transportation/Morongo Basin Transit Authority Purchasing Cooperative have been evaluated, and approval is requested to award an agreement for the purchase of these buses.

### **Recommendation**

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1001 between the Orange County Transportation Authority and Gillig LLC, in the amount of \$6,756,221, for the purchase of 12, 30-foot heavy-duty compressed natural gas-powered buses, with an option to purchase five additional buses, for iShuttle service.

### **Discussion**

The City of Irvine (City) began operating the iShuttle service in 2008. The City funds the service under a fund exchange agreement, through which the Orange County Transportation Authority (OCTA) provides annual funding to the City in return for a Proposition 116 grant that the City transferred to OCTA in 2011. OCTA used the Proposition 116 funds primarily for Metrolink service expansion projects in Orange County. Under the fund exchange agreement, OCTA reimburses the City over a 30-year period with other available funds. In 2016, the City transferred management and operation of the iShuttle service to OCTA, under a separate cooperative agreement. In addition to the day-to-day management and operation of the iShuttle service, OCTA also provides marketing, service scheduling, vehicle replacement services, fare and data

collection, and other activities in support of the ongoing provision of iShuttle service, resulting in a turn-key operation on the City's behalf. Under this cooperative agreement, the City maintains financial responsibility for the iShuttle program including, vehicle purchases for system expansion and the replacement of vehicles as they reach their useful life.

The current iShuttle fleet includes 24 cutaway buses; 12 of which are 2008 model year, five are 2011 model year, and seven are 2019 model year. The 12, 2008 model year cutaways have traveled an average of 161,000 total miles. The Federal Transit Administration (FTA) defines the minimum useful life of a cutaway bus as seven years, or 200,000 miles, which is consistent with OCTA's bus replacement policy. On April 8, 2019, the OCTA Board of Directors (Board) approved the release of Request for Quotes (RFQ) 9-1001 to replace 12, 2008 model year, iShuttle buses through the California Association for Coordinated Transportation/Morongo Basin Transit Authority Purchasing Cooperative (CalACT/MBTA), with an option to purchase up to five additional buses in the future.

The CalACT/MBTA Purchasing Cooperative is a form of procurement that enables transit agencies that are identified as a participating agency at the time of procurement to select buses from a menu of choices from different vendors and manufacturers that best suit their requirements without having to initiate a full procurement. The CalACT/MBTA Purchasing Cooperative includes this class of vehicle offered by two vendors. OCTA was included as a participating agency for the CalACT/MBTA procurement, and as such, is eligible to purchase under this competitively procured purchasing cooperative.

The RFQ was submitted to qualified bus vendors meeting the scope of work requirements. The replacement vehicles are heavy-duty buses with larger passenger capacity and longer useful life compared to the current cutaway buses used for the iShuttle service. Two proposals were received as a result of the RFQ, one from Gillig LLC (Gillig) and one from El Dorado National-California (ENC), submitted by Creative Bus Sales, Inc. (CBS). Both were based on a 30-foot heavy-duty compressed natural gas (CNG) bus configuration.

The proposed Gillig bus offers various advantages over the ENC/CBS bus such as greater operating range and greater seated and standee capacity. The proposed Gillig bus also comes equipped with disc-brakes, a \$4,315 per bus option which is not offered on the proposed ENC/CBS bus, contributing to a better overall value when compared to the components included in the ENC/CBS bus proposal.

The proposed Gillig bus offers advantageous warranties for systems and components, as well as operational and technical benefits compared to the proposed ENC/CBS bus in the following areas:

<b>Components</b>	<b>Gillig</b>	<b>ENC/CBS</b>
Drive and non-drive axles	5 years	2 years
CNG fuel system	3 year	2 years
CNG cradles, mounting provisions	5 years/100,000 miles	2 years/50,000 miles
Complete exhaust system	5 years/100,000 miles	2 years/50,000 miles
Brake system	2 years/100,000 miles	2 years/50,000 miles
Exterior paint	3 years/unlimited miles	2 years/50,000 miles
Standeer capacity	23 passengers	14 passengers
Total passenger capacity	46 passengers	41 passengers
Disc brakes	Available	Not available
Fuel capacity	21,180 standard cubic feet (SCF)	13,180 SCF
Operating Range	540 miles	250 miles

Based on Gillig's proposed delivery schedule, the first article bus will arrive during the second half of 2020. The delivery of the remaining 11 production buses will be completed in September 2021, resulting in receipt of the new buses at approximately the same time the existing 2008 model year buses reach their useful life.

The new 30-foot heavy-duty CNG-powered buses are "Altoona tested" and have an FTA defined useful life of 12 years, or 500,000 miles. Altoona testing tests new transit bus models for safety, reliability, performance, maintainability, noise, fuel economy, and emissions. If transit agencies plan to use any FTA capital funds toward the purchase of transit buses, the vehicle must be Altoona tested. This testing is done at the Larson Transportation Institute's Bus Research and Testing Center, located in Altoona, Pennsylvania. The buses will be configured to carry 23 seated passengers and 23 standees, which was not possible on the cutaway buses due to gross vehicle weight rating limitations. In addition, the new buses will be equipped with two wheelchair stations, a fire suppression

system, OCTA's radio communication system, manufacturer's warranties, and iShuttle branding.

Based on the above, staff recommends award to Gillig for the purchase of 12, 30-foot heavy duty CNG-powered buses.

***Procurement Approach***

The OCTA Board-approved procurement policies and procedures allow for two options that can be used to purchase new buses. OCTA can issue a request for proposals (RFP) or partner with another public agency and use an existing vehicle agreement, as long as the agreement contains purchase options.

Using the first procurement option, OCTA issues an RFP containing detailed vehicle specifications. The advantage of this procurement method is that OCTA can specify exactly the type of vehicle desired. The disadvantage of this procurement option is the timeline, as the procurement requires additional time, adding to the time it takes to receive delivery of the first article and final delivery of the remaining buses.

Using the second option, OCTA identifies an existing contract for the type of vehicle desired containing exercisable options and issues a RFQ to the participating firms. The advantage of this procurement method is a shortened timeline, and OCTA can begin receiving the complete vehicle order in a shorter time period; in some cases, this could reduce the vehicle delivery for the entire order by as much as 12 months.

Based on the immediate and established service need, staff determined that the cooperative procurement option is the most advantageous due to the shortened procurement time. It was determined that CalACT/MBTA completed a cooperative procurement that specified a vehicle with similar specifications to OCTA's requirements. The procurement included a contract participant list, including OCTA as a participant, and as such, OCTA is eligible to utilize this cooperative agreement.

On April 11, 2019, OCTA issued RFQ 9-1001 to both CalACT/MBTA awarded participants, CBS and Gillig, to provide pricing for specific features that meet OCTA's bus requirements. On June 13, 2019, two quotes were received. Both quotes were reviewed by staff from the Contracts Administration and Materials Management, Transit Technical Services, Facilities Maintenance, and the Contract Transportation Services departments.

On July 3, 2019, OCTA requested a best and final offer from each firm to obtain more competitive pricing in addition to receiving clarification on some cost items submitted with the initial quote. Based on the submitted quote, the total cost to purchase 12, 30-foot CNG-powered buses is \$563,018 per bus, including all OCTA required equipment, disc brakes, and added value in warranties and fuel range.

#### **Fiscal Impact**

Funding was included in the OCTA Fiscal Year 2019-20 Budget, Operations Division, Account 2148-9024-D2140-F30, in the amount of \$6,756,221.

#### **Summary**

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-9-1001 between the OCTA and Gillig, in the amount of \$6,756,221, for the purchase of 12, 30-foot heavy-duty CNG-powered buses, with an option for five additional buses, intended for iShuttle service.

***Attachment***

None.

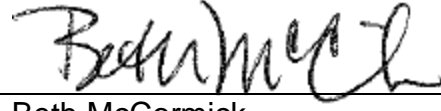
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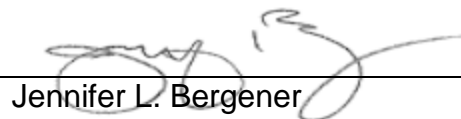
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