



December 12, 2022

To: Members of the Board of Directors
From: Darrell E. Johnson, Chief Executive Officer
Subject: Amendment to Agreement for the Purchase of 40-Foot Compressed Natural Gas-Powered Buses

Overview

On October 12, 2020, the Orange County Transportation Authority Board of Directors approved the selection of GILLIG LLC, as the firm to provide up to 165, 40-foot compressed natural gas-powered buses, with an option to purchase up to an additional 134 buses. Board of Directors' approval is requested to exercise the purchase option for 36 of the 134 additional buses.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-9-1836 between the Orange County Transportation Authority and GILLIG LLC, in the amount of \$22,679,995 to exercise the option to purchase 36 additional buses. This will increase the maximum obligation of the agreement to a total contract value of \$124,537,700.

Discussion

On October 12, 2020, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the selection of GILLIG LLC (GILLIG), as the firm to provide up to 165, 40-foot compressed natural gas-powered (CNG) buses, with an option to purchase up to 134 additional buses for a total of up to 299 buses.

The option to purchase 134 additional buses represents the remaining number of buses in the fixed-route fleet that have met their useful life and require replacement.

Based on the fleet plan to implement the Making Better Connections Study, presented to and approved by the Board on October 24, 2022, fewer buses will be required for future planned service. In total, OCTA currently requires 86 replacement buses. The replacement buses will be comprised of the 36 compressed natural gas (CNG) buses from the GILLIG purchase option. Additionally, through the cost savings of the reduced fleet plan, OCTA has the opportunity to expand the Zero-Emission Bus (ZEB) Pilot program consistent with the Board-approved zero-emission fleet plan and will procure an additional 50 ZEBs. Staff will return to the Board when a plan is developed for the procurement of the ZEB buses.

OCTA's ZEB Pilot program currently consists of ten hydrogen fuel-cell electric buses (FCEB) and ten plug-in battery-electric buses (BEB). The ZEB Pilot program was initiated to gain necessary operational and technological experience for each ZEB type available in order to shape and define the fleet mix required to meet the service demands of Orange County. Expanding the ZEB Pilot program presents an opportunity to help accelerate data gathering, which is vital for planning how OCTA will transition to a 100 percent ZEB fleet by 2040 consistent with the zero-emission fleet plan.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved policies and procedures for goods and services. The original agreement was awarded on October 12, 2020, in the amount of \$100,371,600, for the purchase of up to 165, 40-foot CNG-powered buses, with an option to purchase up to 134 additional buses. This agreement has been previously amended as shown in Attachment A.

The proposed Amendment No. 4 is to exercise the option to purchase 36 additional buses. The budget for this amendment is \$22,679,995, which is based on the current firm-fixed contract pricing as shown below.

Item	Price Per Bus*
Low-Floor Plus 40-Foot Heavy-Duty CNG Transit Buses	\$626,295
BRAVO! Buses	\$627,347
Express Buses	\$636,413

* Price per bus includes Orange County sales tax of 7.75 percent.

OCTA will move forward with the current pricing for the optional purchase of 36 additional buses. During the term of this agreement, GILLIG has performed in accordance with the terms and conditions of the agreement.

Fiscal Impact

Funds for the procurement of 165, 40-foot CNG buses are included in OCTA's Fiscal Year 2022-23 Budget, Transit Technical Services, Account No. 2114-9024-D2116-00Q, and is funded with Federal Transit Administration Section 5307 Congestion Mitigation and Air Quality Improvement Program funds.

Summary

Based on the information provided, staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Amendment No. 4 to Agreement No. C-9-1836 between the Orange County Transportation Authority and GILLIG LLC, in the amount of \$22,679,995 to exercise the option to purchase 36 additional CNG buses.

Attachment

- A. GILLIG LLC, Agreement No. C-9-1836 Fact Sheet

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