



April 13, 2017

To: Transit Committee

From: Darrell Johnson, Chief Executive Officer

Subject: Award of Agreement for Engine Installation Kits

Overview

The Orange County Transportation Authority currently operates 97 New Flyer compressed natural gas-powered buses which are eligible for a midlife bus engine overhaul. The award of an agreement for the engines has already been approved by the Board of Directors. The replacement engine requires additional components for the new configuration and installation. Staff is requesting approval to execute an agreement for this purchase.

Recommendations

- A. Approve the selection of Complete Coach Works as the firm to provide the engine installation kits.
- B. Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-7-1507 between the Orange County Transportation Authority and Complete Coach Works, in the amount of \$3,091,616, for engine installation kits.

Discussion

The Orange County Transportation Authority (OCTA) operates a sub-fleet of 98 2007/2008 New Flyer compressed natural gas (CNG)-powered buses which are eligible for a midlife bus engine overhaul. These buses are exceeding 250,000 to 300,000 miles of operation. The purchase of the engines was approved by the Board of Directors (Board) on October 13, 2016, and a prototype has already been installed in the first bus. The replacement engine requires additional components for the new configuration and installation.

The engine installation kits (KITS) consist of materials and components regularly required during a midlife engine repower program including: motor mounts, air dryer, drivelines, radiators, charge-air-coolers, plumbing, heat exchangers,

electric generators, voltage regulators, hydraulic pumps, and hydraulic fan motors. In addition, brackets, access doors, vents, and other materials are required to displace the excess heat generated by the larger 12-liter combined muffler and catalytic converter.

The KITS will be used on the installation of the Cummins 8.9-liter ISL-G Near Zero CNG-powered engine with closed crankcase ventilation and a three-way catalyst used to reduce emissions even further than the standard ISL-G engine. The California Air Resources Board has certified the Cummins ISL-G Near Zero CNG-powered engine at below 0.02 grams nitrogen oxide (NOx) per brake horsepower-hour. The ISL-G Near Zero CNG-powered engine reduces NOx by 90 percent and greenhouse gases by nine percent compared to the standard ISL-G CNG-powered engine.

On August 18, 2016, the Mobile Source Air Pollution Reduction Review Committee (MSRC) awarded OCTA \$1.47 million in grant funds to support this project. The MSRC grant award will supplement available federal funding to complete the midlife engine overhaul on the 97 buses and one prototype.

Procurement Approach

This procurement was handled in accordance with OCTA Board-approved procedures for materials and equipment greater than \$50,000. These procedures, which conform to both federal and state requirements, are used when minimum requirements can be clearly specified and, therefore, the lowest price is the only criterion for choosing among the bidders who are responsive and responsible after a sealed bidding process.

On January 23, 2017, the Board authorized the release of Invitation for Bids (IFB) 7-1507 to select a firm to provide KITS. The IFB 7-1507 was issued electronically on CAMM NET and advertised on January 23 and 30, 2017, in a newspaper of general circulation. A pre-bid conference was held on February 2, 2017, with one attendee. Five addenda were issued to post the pre-bid conference sheets, respond to questions related to the IFB, and provide clarification to bidders. On March 7, 2017, one bid was received and publicly opened.

The bid was reviewed by staff from Contracts Administration and Materials Management (CAMM) department and the Transit division to ensure compliance with the bid, legal requirements, and technical specifications. The bidder and bid amount are presented below:

<u>Firm and Location</u>	<u>Bid Amount</u>
Complete Coach Works Riverside, California	\$3,091,616

In accordance with OCTA procurement policies and procedures, a single bid received for a procurement over \$50,000 requires OCTA Internal Audit Department (Internal Audit) to conduct a review to determine if there was adequate competition. Based on Internal Audit's review, the procurement was handled in a fair and competitive manner. In addition, CAMM contacted several vendors from the bid list to inquire why they did not submit bids. The firms stated that they did not submit a bid due to several reasons including risk involved with the warranty and parts, not having the resources needed to designate to this specific project, and not being able to provide competitive pricing.

The purchase order will be for a one-year term with a firm-fixed cost of \$31,872.33 per kit for specified engine parts. The IFB requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Complete Coach Works.

Fiscal Impact

The project is included in the approved OCTA Fiscal Year 2016-17 Budget, Transit Technical Services, Account 2114-9024-D2108-02A, and is funded through Federal Transit Administration Section 5339 Bus and Bus Facilities Grant No. CA-2016-031, and MSRC grant funds.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C-7-1507 between OCTA and Complete Coach Works, in the amount of \$3,091,616, for the purchase of KITS required for the engine replacement program intended for the midlife bus overhaul program.

Attachment


None.

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