



**February 8, 2018**

**To:** Transit Committee

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

**Subject:** Award of Agreement for Compressed Natural Gas Fueling Facility Operation and Maintenance

### **Overview**

On September 25, 2017, the Board of Directors approved the release of a request for proposals for operation and maintenance services of the compressed natural gas facility located at the Irvine Sand Canyon base. Offers were received in accordance with the Orange County Transportation Authority procurement procedures for professional and technical services. Board of Directors' approval is requested to execute an agreement for these services.

### **Recommendations**

- A. Approve the selection of Clean Energy as the firm to provide compressed natural gas fueling facility operation and maintenance.
- B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1930 between the Orange County Transportation Authority and Clean Energy, in the amount of \$677,160, to provide compressed natural gas fueling facility operation and maintenance, for a three-year initial term beginning March 1, 2018, with two, one-year option terms.

### **Discussion**

Operation and maintenance (O&M) service for compressed natural gas (CNG) equipment located at the Irvine Sand Canyon base requires daily service. The Orange County Transportation Authority (OCTA) requires the firm to furnish a qualified labor force and parts and materials sufficient to operate and maintain the Irvine Sand Canyon CNG fueling station in accordance with all federal, state, and local regulatory agencies, while providing capabilities to fuel up to 130 CNG-powered buses per established specifications. The firm shall operate and maintain existing equipment to compress supplied natural gas and two CNG dispensers capable of fueling two buses simultaneously. OCTA will be

responsible for the operating fuel dispensers and fueling CNG powered buses and other vehicles. The electrical power and natural gas is provided by OCTA.

***Procurement Approach***

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for professional and technical services. In addition to cost, other factors are considered in an award for professional and technical services. Award is recommended to the firm offering the most comprehensive overall proposal, considering factors such as qualifications, prior experience with similar projects, staffing and project organization, work plan, as well as cost and price.

On September 25, 2017, the Board authorized the release of Request for Proposals (RFP) 7-1930 to select a firm to provide CNG fueling facility O&M services. The RFP was issued electronically on CAMM NET. The project was advertised in a newspaper of general circulation on September 28 and October 2, 2017. A pre-proposal conference and job walk were held on October 3, 2017, with six attendees representing two firms. One addendum was issued to provide a copy of the pre-proposal conference registration sheets and respond to questions related to the RFP.

On October 24, 2017, three proposals were received. An evaluation committee consisting of OCTA staff from Contracts Administration and Materials Management, Maintenance, Capital Programs, and Health, Safety, and Environmental Compliance departments met to review the submitted proposals. The proposals were evaluated based on the following Board-approved evaluation criteria and weights:

- |                                     |            |
|-------------------------------------|------------|
| • Qualifications of the Firm        | 30 percent |
| • Staffing and Project Organization | 15 percent |
| • Work Plan                         | 25 percent |
| • Cost and Price                    | 30 percent |

Several factors were considered in developing the criteria weights. A higher level of importance was assigned to the qualifications of the firm, as well as cost and price, to emphasize the importance of the proposing firms' related experience in CNG fueling facility O&M, with a proven history in successfully completing similar services efficiently. Cost and price was also a critical requirement for firms to demonstrate competitiveness in pricing to carry out the required turn-key services. The work plan was weighted at 25 percent to ensure the proposing firms demonstrated their understanding and approach to

accomplish the work specified in the scope of work. Staffing and project organization was assigned 15 percent to ensure the proposed staff are knowledgeable and experienced in preventive maintenance and other requested services.

On November 7, 2017, the evaluation committee reviewed all proposals based on the evaluation criteria for firms listed below in alphabetical order:

Firm and Location

Clean Energy (CE)  
Newport Beach, California

Trillium USA Company, LLC (Trillium)  
Houston, Texas

TruStar Energy, LLC (TruStar)  
Rochester, Minnesota

On November 14, 2017, the evaluation committee conducted interviews with all three firms. Each firm had the opportunity to present its approach for accomplishing the requested services, project team qualifications, and respond to evaluation committee questions. During the interview, each firm described its understanding of tasks involved in this project, especially tasks which have the potential to cause disruption to bus operations, daily inspections process, as well as monitoring process for the CNG station and associated equipment. All firms also answered specific questions related to each firm's proposal relative to OCTA's service requirements.

After interviews, in addition to a best and final offer (BAFO) to provide more competitive pricing, all firms were requested to submit a statement to confirm the proposed BAFO pricing will be firm-fixed throughout the initial and option terms of the agreement, and that the response time to critical service problems shall be within two hours, as specified in the scope of work.

After considering the information obtained through interviews and the BAFO, the evaluation committee made adjustments to preliminary scores. However, the ranking of the firms remained unchanged.

Based on the evaluation of written proposals, the information obtained from interviews, and the BAFO, it is recommended that CE be selected to provide CNG fueling facility O&M at the Irvine Sand Canyon bus base. The following is a brief summary of the proposal evaluation results.

### Qualifications of the Firm

All three firms are established companies with experience in providing CNG fueling facility O&M services.

CE's proposal displayed a thorough understanding of the requested services specified in the RFP. CE specializes in designing, building, operating, and maintaining CNG and liquefied natural gas (LNG) vehicle fueling stations to transit agencies. The firm has successfully provided CNG facility O&M services throughout California to customers including Foothill Transit, Los Angeles County Metropolitan Transportation Authority, Sacramento Regional Transit, and University of California, San Diego. CE is the current contractor providing O&M services to OCTA's CNG fueling facility at the Irvine Sand Canyon bus base, and is also the contractor who designed and built the facility in 2008. During the interview, the firm demonstrated a solid experience with O&M compressors, CNG, LNG, maintenance scheduling and coordination, as well as all preventive, scheduled, and unscheduled maintenance repair services.

Trillium demonstrated an in-depth understanding of the overall project. Trillium is also skilled and experienced in providing a wide range of designing, building, operating, and maintaining CNG and LNG vehicle fueling stations for bus transit agencies. Trillium is the contractor who designed and built OCTA's Santa Ana bus base CNG fueling facility in 2008 and is currently maintaining the station. Trillium subsequently designed, built, and maintains OCTA's CNG fueling stations at Anaheim and Garden Grove bus bases. Trillium's customers include City of Visalia Transit, North County Transit District, and San Diego Metropolitan Transit System. During the interview, Trillium demonstrated experience in CNG station design and automation configuration, in addition to O&M, and has vast experience with station takeovers and equipment optimization to smooth the transition process.

Both CE and Trillium provided numerous references from bus transit customers, where CE and Trillium designed, built, operated, and maintained the facilities for more than ten years.

TruStar also showed a very good understanding of the overall project and has extensive project experience in performing the services in the scope of work in commercial industries. The firm is a turn-key operation providing CNG station design and construction, manufacturing, fuel contracting, station maintenance, and operations and services. TruStar's customers include Advanced Disposal, Chrysler, and United Parcel Service, where the firm designed, built, and continues to provide full service to their CNG fuel facilities. The firm presented an excellent interview, elaborating on the qualifications and experience with its current customers presented in the proposal.

### Staffing and Project Organization

All three firms proposed experienced and well-rounded project teams with relevant experience in CNG fueling facility O&M services.

The team proposed by CE has extensive experience in the field of CNG stations. During the interview, CE presented a team who demonstrated knowledge and expertise in successfully providing similar project delivery and CNG fueling facility O&M services to various transit agencies. CE presented a strong team both in the proposal and during the interview with a high level of competence and commitment to the success of this project, utilizing the same personnel that currently service OCTA's CNG fueling station at the Irvine Sand Canyon base.

Trillium proposed a highly-experienced team with project experience in successfully operating and maintaining the CNG facilities for transit projects. The proposed Trillium team demonstrated a full comprehension of the project's requirements and outstanding capacity in the requested services during the interview. Trillium proposed the same team that is currently providing CNG fuel facility O&M services at OCTA's Anaheim and Garden Grove bus bases. The team presented an excellent interview, providing detailed answers to questions from the evaluation committee.

TruStar proposed key personnel who have comprehensive experience in CNG fueling facility O&M services. The proposed project manager for TruStar demonstrated strong leadership skills and led the proposed team throughout the interview. TruStar's proposed team also displayed experience working as a team in providing requested services to its customers during the interview.

### Work Plan

CE's work plan presented a thorough approach and understanding of OCTA's requirements, including the inspection frequency, preventive, remedial, and emergency maintenance, remote monitoring, and monthly maintenance reports. CE's work plan analyzed the scheduled and unscheduled repairs specified in the scope of work and provided comprehensive maintenance activities and emergency call-out plans. The proposed work plan also includes several scenarios of a station shutdown and provides solutions detailing all necessary actions. CE's remote station monitoring center is based in Newport Beach, California to monitor real-time station status and performance, as well as detect any faults or alarms that occur. The firm's work plan presented a comprehensive response to the requirements specified in the RFP and reflected a high level of experience to provide the requested services.

Trillium's work plan clearly presented the knowledge and experience to carry out and maintain high level service standards. Trillium has invested in each team member for completion of training programs designed by Trillium, as well as component and system manufacturers, to ensure there is a high quality of work performed. Trillium's work plan also covers preventative and remedial maintenance activities, as well as routine maintenance, such as inspections, calibration adjustments, and repairs to ensure compliance with all performance and fuel-availability requirements specified in the RFP. Trillium's network of national CNG operations is monitored and based in Houston, Texas, with personnel who visually monitor stations, answer calls, and respond to equipment faults.

TruStar presented a work plan addressing all elements of the scope of work in the written proposal, such as preventive, remedial, and emergency maintenance, remote monitoring, and both scheduled and unscheduled maintenance. The work plan also includes a detailed checklist and duty guidelines to be performed by service technicians on a daily and weekly basis. TruStar's work plan contains a wireless communication panel accessible by OCTA, and installed onsite, to provide real time, minute-by-minute status of the CNG station, logging station operation, and activity to help predict maintenance failure.

#### **Cost and Price**

The firms were asked to provide firm-fixed per therm cost based on various throughput ranges. The proposed per therm rate was scored based on using 190,000 therms per month, the actual average monthly throughput over the past two years. Pricing scores were based on a formula which assigned the highest score to the lowest total pricing and scored the other proposals total pricing based on their relation to the lowest total pricing. While all firms demonstrated a thorough understanding of the project, CE proposed the lowest total pricing.

#### **Procurement Summary**

Based on the evaluation of the written proposals, the firm's qualifications, and information obtained from the interviews and BAFO, the evaluation committee recommends the contract award to CE. The firm demonstrated a thorough understanding of OCTA's requirements for CNG fueling facility O&M and submitted a comprehensive proposal responsive to all requirements of the RFP.

**Fiscal Impact**

Funds for these services are included in the OCTA Fiscal Year 2017-18 Budget, Transit Division, Maintenance Department, Account 2166-7611-D1208-TSC; this project is 80 percent funded with Federal Transit Administration Formula 5307 Preventive Maintenance funds and 20 percent funded with the local transportation fund.

**Summary**

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Agreement No. C-7-1930 with Clean Energy, in the amount of \$677,160, to provide CNG fueling facility operation and maintenance, for a three-year initial term beginning March 1, 2018, with two, one-year option terms.

**Attachments**

- A. Review of Proposals, RFP 7-1930 CNG Fueling Facility Operation and Maintenance
- B. Proposal Evaluation Criteria Matrix, RFP 7-1930 CNG Fueling Facility Operation and Maintenance
- C. Contract History for the Past Two Years, RFP 7-1930 CNG Fueling Facility Operation and Maintenance

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