



April 27, 2020

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Award of Agreement for the Purchase of Paratransit Buses

Overview

On December 9, 2019, the Orange County Transportation Authority Board of Directors, approved the release of a request for quotes for the purchase of up to 116, 22-foot gasoline-powered cutaway buses for the OC ACCESS paratransit service, with an option to purchase an additional ten, 22-foot cutaway buses. Subsequent to the request for quotes, the current need for one additional bus was identified, bringing the total number to 117. 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.

Recommendations

- A. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1570 between the Orange County Transportation Authority and Creative Bus Sales, Inc., in the amount of \$14,953,419, for the purchase of up to 117, 22-foot gasoline-powered cutaway buses, with an option to purchase up to ten additional cutaway buses.
- B. Amend the Orange County Transportation Authority Fiscal Year 2019-20 Budget by \$241,459 to accommodate the final cost of 117, 22-foot gasoline-powered cutaway buses.

Discussion

The Orange County Transportation Authority (OCTA) is currently operating 248, 22-foot gasoline-powered cutaway buses under its contracted services operation for OC ACCESS paratransit service. Of the 248 cutaway buses, 17 were delivered and deployed in revenue service beginning in 2013 and another 99 were delivered and deployed in revenue service beginning in 2014.

These 116 cutaway buses have a useful life of seven years or 200,000 miles and will meet or exceed their useful life within the next 36 months. Due to two vehicle accidents involving cutaway buses, two 2010 cutaway buses were kept in service as replacements, but were not originally included in the December 9, 2019 Board of Directors (Board) item. One of the retired cutaway buses is not part of the 116 cutaway bus subfleet, resulting in a need to increase the vehicle quantity to 117. Therefore, this award is recommended to replace up to 117 cutaway buses with an option for ten additional cutaway buses, if needed. The Federal Transit Administration (FTA) defines the minimum useful life of cutaway buses as either five years/150,000 miles or seven years/200,000 miles based on the gross vehicle weight rating of the different 22-foot models. Consistent with the OCTA Fleet Management Plan, the 116, 22-foot gasoline-powered cutaway buses are being replaced at seven years/200,000.

The new buses will include equipment needed to carry 12 seated passengers or five passengers using mobility devices such as wheelchairs or a combination of both, a fire suppression system, on-board video surveillance, and radio communication systems. The cutaway buses will be covered by factory and manufacturers' warranties that will contribute to lowering the overall operating cost.

The cutaway style vehicle has been part of the OC ACCESS fleet since the implementation of the service in the 1990s. OCTA has been utilizing gasoline cutaways for this service since 2010. Staff evaluated different fuel technologies available for cutaway style vehicles as part of the preparation of the request for quotes, including gasoline, propane, compressed natural gas (CNG), and electric. The analysis indicated that the total cost of ownership for the gasoline vehicles makes the gasoline vehicle a better selection compared to CNG and propane. While the electric cutaway models compare more favorably from the cost perspective, at present, a limited number of models exist, and there are no electric cutaway vehicles that have completed Altoona testing. Altoona testing is required by the FTA to ensure the safety and reliability of new transit buses. The details of this fuel technology evaluation were presented to the Transit Committee on November 14, 2019. With concurrence from the members present, staff proposed to move forward with the purchase of gasoline-powered cutaway vehicles, which was subsequently approved by the Board on December 9, 2019.

While the novel coronavirus (COVID-19) pandemic has dramatically impacted the current ridership on the OC ACCESS system and utilization of the cutaway fleet, these vehicles will still reach or exceed their useful life within the next one to three years and will require replacement. As stay-at home orders related to the COVID-19 pandemic are lifted and service is reestablished, staff will closely

monitor the ridership demand and the need for any further replacement of the 248 paratransit vehicle fleet. The remaining 131 vehicles not replaced through this effort will require the initiation of replacement in December 2021; this will provide sufficient time to assess the post COVID-19 ridership impacts and allow for an informed replacement effort at that time.

Procurement Approach

The OCTA Board-approved procurement policies and procedures allow for two options that can be used to purchase new vehicles. OCTA can issue a request for proposals (RFP) or partner with another public agency and use its existing bus agreement, as long as the agreement contains purchase options. Using the first option, OCTA issues an RFP containing detailed vehicle specifications. The advantage of this procurement method is that OCTA can specify exactly the type of bus desired. The disadvantage of this procurement option is the timeline, which may take up to six months from when an RFP is issued to the time when the first article is received, then an additional 12 months to receive the remaining vehicles.

Using the second option, OCTA identifies an existing contract with another agency for the type of buses desired containing exercisable options and issues a request for quotes (RFQ) to the participating firms. The advantage of this procurement method is a shortened timeline, and OCTA can begin receiving buses in a much shorter period of time; in some cases, this could reduce the vehicle delivery for the entire bus order by as much as six months. In addition to the base configuration of the vehicles under the existing contract, OCTA is able to include standard fire detection and suppression systems, and radio hardware consistent with OCTA's existing fleet.

Based on the immediate need and established service needs, staff determined that the cooperative contract procurement option is the most advantageous to OCTA due to the shortened procurement and vehicle delivery time. It was determined that California Association for Coordinated Transportation/Morongo Basin Transit Authority Purchasing Cooperative (CalACT/MBTA) completed a cooperative procurement that specified a vehicle with similar specifications to OCTA's requirements. The procurement included a contract participant list, which identifies OCTA as a participant, as such, OCTA is able to utilize this cooperative agreement.

On December 9, 2019, OCTA issued RFQ 9-1570 to both CalACT/MBTA awarded participants, A-Z Bus Sales, Inc., and Creative Bus Sales (CBS), Inc., to provide pricing for specific features that meet OCTA's bus requirements. The RFQ identified 116, 22-foot gasoline-powered cutaway buses to be

purchased; however, due to an accident to an existing paratransit bus that needed to be replaced, the number was revised from 116 to 117 buses via an addendum to the RFQ. On January 30, 2020, two quotes were received. Both quotes were reviewed by staff from the Contracts Administration and Materials Management, Transit Technical Services, Facilities Maintenance, and Paratransit Services departments.

On February 21, 2020, 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 evaluation committee is recommending that CBS be selected to provide the vehicles. The total cost to purchase 117, 22-foot gasoline-powered buses provided by CBS is \$14,953,419, or \$127,807 per bus, which includes all OCTA required equipment.

Fiscal Impact

This project was approved in the OCTA Fiscal Year 2019-20 Budget, Operations Division, Account 2114-9024-D2108-000.

Summary

Based on the information provided, staff recommends the Board authorize the Chief Executive Officer to negotiate and execute Agreement No. C-9-1570 between OCTA and CBS, in the amount of \$14,953,419, for the purchase of up to 117, 22-foot gasoline-powered cutaway buses, with an option to purchase ten additional 22-foot gasoline-powered cutaway buses. Staff also recommends the Board amend the Orange County Transportation Authority Fiscal Year 2019-20 Budget by \$241,459, to accommodate the final cost of 117, 22-foot gasoline-powered cutaway buses.

Attachment

A. OC ACCESS Vehicles Procurement Price Comparison

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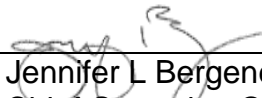
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