



MEMO

November 9, 2020

To: Members of the Board of Directors
From: Darrell E. Johnson, Chief Executive Officer
Subject: **Public Comment on the Agreement for the Procurement of 40-Foot Plug-In Battery-Electric Buses**

On October 12, 2020, a public comment was received via email from Proterra Inc. (Proterra) regarding the Orange County Transportation Authority (OCTA) Board of Directors agenda item 9, Agreement for the Purchase of 40-Foot Plug-In Battery-Electric Buses (BEB). Proterra was one of two firms that submitted a quote in response to OCTA's request for quotes (RFQ), and subsequently was not recommended for award.

Proterra's public comments were related to OCTA determination not to evaluate Proterra's 600 series bus, which was included as one of two options provided in their response to the RFQ and asserted to have the most on-board energy storage and longest range available as well as a suggestion that the optional items selected in the price calculation. As a result of Proterra's public comment, the item was continued to allow staff time to review and address Proterra's assertions and concerns.

On October 13, 2020, OCTA staff met with Proterra's representatives to discuss and address their concerns. Proterra's primary concern was related to OCTA's determination to not evaluate the 660 kWh BEB, one of the two buses proposed by Proterra. According to OCTA's original scope of work included in the RFQ, proposers were required to provide a BEB that was able to meet a minimum operational range of 200 miles. As part of an addendum to the RFQ, OCTA clarified that a BEB with a battery capacity range of 466 kWh would satisfy OCTA's 200-mile minimum requirement.

The RFQ requires award to the lowest responsive bidder. As such, OCTA did not evaluate Proterra's 660 kWh BEB because doing so would have resulted in an incomparable price analysis, when evaluating Proterra's proposed 660 kWh with the RFQ specified 466kWh or 200-mile minimum, compliant BEB proposed by New Flyer, Inc.

The second concern raised by Proterra was related to the selection of optional items for price calculation. OCTA staff showed Proterra a detailed price comparison sheet that identified the exact nine optional items chosen by OCTA

for the price calculation. Of the nine optional items, eight were priced lower by Proterra when compared to New Flyer's pricing for the same options. As a result, Proterra's statement that OCTA's selection of optional items may have inflated Proterra's pricing is inaccurate. In fact, OCTA's choice of the nine optional items resulted in a reduction of Proterra's price calculation.

Based on staff's review of the BEB procurement and the follow-up meeting with Proterra, OCTA staff recommends moving forward with the original recommendation to award the ten 40-Foot Plug-In BEBs to New Flyer, and will include the previously continued item on the November 9, 2020 Board agenda for Board consideration.

If you have any questions please contact me.