



June 16, 2026

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Award for the Purchase of Compressed Natural Gas Fuel Tank Kits

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Overview

On March 23, 2026, the Orange County Transportation Authority Board of Directors approved the release of an Invitation for Bids for the procurement of compressed natural gas fuel tank kits. As a result, a bid was received and evaluated from a qualified vendor. Board of Directors' approval is requested to purchase up to 48 compressed natural gas fuel tank kits for 40-foot buses to extend their useful life.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C250095 between the Orange County Transportation Authority and Hexagon Agility FleetCare, LLC, in the amount of \$2,723,165, for the purchase of up to 48 compressed natural gas fuel tank kits for 40-foot buses.

Discussion

The Orange County Transportation Authority (OCTA) maintains a contingency fleet of 50 compressed natural gas (CNG)-powered buses, model year 2008. The CNG-powered buses recently replaced the diesel-powered contingency fleet buses, which had been in service for nearly 30 years. The CNG fuel tanks installed on these buses are approaching the end of their certified 20-year service life and must be replaced to comply with safety and regulatory requirements.

The 50 CNG-powered contingency buses are reserved for emergencies or other unforeseen, justified, and Federal Transit Administration-approved activities, such as natural and man-made disasters, fuel shortages, and major capital maintenance repairs. A contingency fleet is separate from the spare fleet and is not included in the spare ratio.

To assess the feasibility of replacing the CNG fuel tanks and validate the required components and installation process, OCTA developed two prototype buses in April 2025. The prototypes were used to confirm the project scope, parts list, and installation requirements for the remaining 48 buses included in the retrofit program. The prototype installations have since been successfully completed, confirming the technical feasibility of the CNG Fuel Tank Replacement Project and establishing the necessary components and processes for full implementation.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for materials and equipment. These procedures, which conform to both federal and state requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process.

On March 23, 2026, the Board approved the release of Invitation for Bids (IFB) 250095 through OpenGov, OCTA's online e-procurement system. The solicitation was advertised in a newspaper of general circulation on March 23 and March 30, 2026. No addendum was issued, as a result of no questions received.

On April 20, 2026, a single bid from Hexagon Agility FleetCare, LLC (Hexagon) was received and publicly opened. In accordance with OCTA's Board-approved procurement policies and procedures, a single bid received for a procurement over \$50,000 requires OCTA's Internal Audit Department (Internal Audit) to conduct a review to determine whether the procurement process complied with the Contracts Administration and Materials Management (CAMM) Department's procedures designed to ensure adequate outreach to stimulate competition. Based on Internal Audit's review, CAMM complied with policies and procedures. In addition, CAMM staff contacted firms on the Bid List and Vendor Analytics List to inquire why they did not submit a bid. The responses from the firms varied, stating challenges with sourcing the material and the inability to meet the requirements of the IFB as reasons for not submitting bids.

The bid was reviewed by staff from both CAMM and Transit Technical Services departments to ensure compliance with the contract terms, as well as the technical specifications.

The single bid amount based on estimated quantities is presented below:

Firm and Location	Bid Amount
Hexagon Agility FleetCare, LLC Salisbury, North Carolina	\$2,723,165

CAMM conducted a price review utilizing comparable purchase orders as well as OCTA stock pricing to determine Hexagon’s proposed price to be fair and reasonable. CAMM staff performed a price analysis using the information available and determined Hexagon’s proposed unit price of \$56,733 per bus is approximately ten percent less than the comparable unit price of \$63,157 per bus. Therefore, the bid price is deemed fair and reasonable.

State law requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Hexagon as the lowest responsive, responsible bidder, in the amount of \$2,723,165, for the purchase of up to 48 compressed natural gas fuel tank kits for 40-foot buses.

Fiscal Impact

Funding is included in OCTA’s approved Fiscal Year 2025–26 Budget, Operations Division, Account No. 2114-9024-D2108-3RW, and is locally funded.

Summary

Staff requests that the Board of Directors authorize the Chief Executive Officer to negotiate and execute Purchase Order No. C250095 between the Orange County Transportation Authority and Hexagon Agility FleetCare, LLC, in the amount of \$2,723,165 for the purchase of up to 48 compressed natural gas fuel tank kits for 40-foot buses.

Attachment

None.

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