

PROCUREMENT SUMMARY

BYD BATTERY ELECTRIC ARTICULATED TRANSIT BUSES AND CHARGING EQUIPMENT FOR DEPLOYMENT ON THE METRO ORANGE LINE/OP29199

1.	Contract Number: OP29199	
2.	Recommended Vendor: BYD Motors, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: Not Applicable	
	B. Advertised/Publicized: Not Applicable	
	C. Pre-Proposal Conference: Not Applicable	
	D. Proposals Due: July 29, 2016	
	E. Pre-Qualification Completed: TBD	
	F. Conflict of Interest Form Submitted to Ethics: February 21, 2017	
	G. Protest Period End Date: Not Applicable	
5.	Solicitations Picked up/Downloaded: Not Applicable	Bids/Proposals Received: Non-competitive offer
6.	Contract Administrator: Wayne Okubo	Telephone Number: (213) 922-7466
7.	Project Manager: Steve Schupak	Telephone Number: (213) 922-2170

A. Procurement Background

This Board Action is to approve Contract No. OP29199 for the non-competitive purchase of five 60-foot prototype battery electric buses and corresponding charging equipment from BYD Motors, Inc. (BYD). The Board action also recommends approval of the expenditure for the new prototype buses a credit in the amount of \$3,000,000 offered by BYD for the buy-back of five 40-foot battery electric buses delivered under Contract No. OP33202790. The unsolicited offer to buy-back the 40-foot buses was a result of BYD's ability to provide a newer generation of battery electric vehicles. The 60-foot prototype buses are not only of an improved generation, but also will be deployed at the Metro Orange Line where the operating conditions are more suitable for a battery-electric bus.

B. Evaluation of Proposals

Metro's Vehicle Technology and Acquisition department reviewed the technical proposal against the Zero Emissions Bus Technical Specification used in the current RFP solicitation for 60-foot buses. This evaluation was performed to ensure that the proposed prototype bus met basic Metro standards. Through a series of discussions and clarifications, the Vehicle Technology and Acquisition department determined that BYD's proposed bus substantially meets the Technical Specification requirements and appears to be acceptable for the Orange Line deployment. Final determination of suitability for Metro service use will be made after delivery of these prototype buses based on a pre-determined evaluation process that includes

capture of data for vehicle service range, maintainability, safety aspects and other factors.

Qualifications Summary of Firms within the Competitive Range:

BYD Motors, Inc.

BYD is the largest manufacturer of Zero Emissions Buses in the world. In North America, their current deployment is a fleet of 40 buses, with confirmed orders exceeding 120 buses along with options for an additional 120.

These prototype articulated buses will be manufactured at BYD’s assembly plant located in Lancaster, CA, and will utilize Iron Phosphate (Fe) batteries, which are thermally stable, nontoxic, completely recyclable, nonflammable, and noncombustible. The first of the 60’ articulated electric buses will be delivered to Metro seven months after award of the contract and the fifth bus twelve months after award of the contract.

C. Cost/Price Analysis

The recommended price for the new 60-foot battery electric buses has been determined to be fair and reasonable based upon MAS audit findings, cost analysis, technical evaluation, and negotiations.

The recommended credit has been determined to be fair and reasonable based on a technical evaluation and price analysis of the depreciation, useful life and value of the five 40-foot battery electric vehicles returned to BYD. The recommended credit of \$3,000,000 exceeds the remaining value in these one year old vehicles that were no longer in operation. The remaining value to Metro, estimated at \$581,000 per bus, was determined to be less than the credit offered of \$600,000 each.

	Proposer Name	Proposal Amount	Metro ICE	Negotiated Amount
1.	BYD Motors	\$7,151,342	\$6,417,534	\$6,594,771

D. Background on Recommended Contractor

The recommended firm, BYD Motors, Inc., located in Los Angeles, CA, has been in business domestically for six years and is a leader in the zero emissions bus industry. Worldwide, BYD has been developing electric and hybrid vehicle since 2004, introducing the world’s first production plug-in electric hybrid vehicle in 2008.