



Board Report

File #: 2020-0061, File Type: Contract

Agenda Number: 30.

CONSTRUCTION COMMITTEE
AUGUST 20, 2020

SUBJECT: EXECUTE CONTRACT MODIFICATION FOR EIGHT (8) DEPOT CHARGERS FOR ORANGE LINE ELECTRIC BUS CHARGING STATIONS, INCREASE CONTRACT MODIFICATION AUTHORITY AND STAFF DELEGATION AUTHORITY

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. EXECUTE Modification No. 14 to Contract No. OP28367-001, Part D, awarded to New Flyer of America, to add eight (8) additional Depot Chargers for the Metro Orange Line buses and charging infrastructure at Firm Fixed price of \$1,138,133, increasing the Contract Value from \$73,289,973 to \$74,428,108.
- B. INCREASE the Contract Modification Authority (CMA) from 10% to 15% of the total base and option contract values to \$10,113,208 for Contract No. OP28367-001 Part D with New Flyer of America, Inc.
- C. INCREASE the Contract Modification Authority amount from 10% to 15% of the total base and option of contract values to \$11,795,724 for Contract OP28367-002, Part C, with BYD Coach & Bus, LLC.
- D. INCREASE staff delegation authority with El Dorado National (California), Inc. ("ENC") for future contract modifications for Contract No. OP28367-000, Part A, to a not to exceed amount of \$1,000,000 for each contract modification action.
- E. INCREASE staff delegation authority with New Flyer of America for future contract modifications for Contract No. OP28367-003, Part B, to a not to exceed amount of \$1,000,000 for each contract modification action.
- F. INCREASE staff delegation authority with BYD Coach & Bus, LLC for future contract modifications for Contract No. OP28367-002, Part C, to a not to exceed amount of \$1,000,000 for each contract modification action.

ISSUE

Following contract award of Metro's Zero Emission Buses (ZEB) program there have been lessons learned regarding operational efficiencies and advances in vehicle and charging equipment technologies. Staff's recommendations address the need to respond to the rapid pace of potential changes necessary to operate ZEBs efficiently as changes in technology occur. For example, Metro has adopted the same depot charging solution for both ZEB contractors New Flyer and BYD, which was not available at time of award. This offers the same benefits as the standardization of the on-route charging. Further, the onset of COVID-19 has necessitated changes to Metro's operating services.

Recommendation A will allow for operational efficiencies to be realized. Currently, only two (2) of the ten (10) charging locations at Division 8 are equipped with chargers. Approval of Recommendation A will permit the remaining charging locations to be equipped with chargers.

Recommendation B and C will allow Metro and the Contractor to negotiate future change orders in a timely manner to ensure that the maximum cost and schedule benefits can be realized. This increase in Contract Modification Authority (CMA) is also necessary to address the rapidly evolving technologies in Zero Emission Buses (ZEB) and infrastructure.

Additionally, this recommendation will allow for Metro to quickly execute any pilot technical solutions in response to COVID-19. Recommendations D, E, and F are being requested to address the expectation that those contracts will have similar constraints. Project Management will manage all respective CMA within the previously approved Life of Project Budgets for the affected projects. The CMA increases requested by this action do not include the value of the Options exercised and approved by the Board, however it is part of the total percentage of CMA requested.

Recommendations D, E, and F will allow Metro and the Contractor to negotiate future change orders in a timely manner to ensure that the maximum cost and schedule benefits are realized. The request for an increase in staff delegation authority from \$500,000 to \$1,000,000 for individual contract changes is consistent with Board authorizations for other Rolling Stock programs, such as for the light rail vehicle Contracts P3010 and P2550, and 60-foot New Flyer Electric Buses under Contract OP28367-001, Part D.

BACKGROUND

In April 2016 Metro's Board of Directors authorized staff to solicit a procurement for a combination of up to 1000 40-foot and 60-foot CNG or Zero Emission Buses. In July 2017 the Board Authorized five Contracts for 295 CNG Buses and 100 Zero Emission Buses of various sizes, totaling \$379,381,178. At the time of Base Contract award, it was not known what quantity or combination of Buses staff would recommend for subsequent Option vehicle purchases, therefore CMA could not be adequately defined. In September 2019 the Board further authorized the exercise of 259 CNG buses and 40 Zero Emission Buses totaling \$301,061,732. This Board action requests CMA on the total combination of the Base and Option Contract values awarded.

DISCUSSION

Approval of Recommendation B, C, D, E and F increases the Contract Modification Authority which

allows for Metro staff to address unforeseen changes to be successfully negotiated and addressed with Bus Manufacturers in an expedited manner thus minimizing impact to the project schedule. Additionally, this will allow for Metro to quickly execute any pilot technical solutions in response to COVID-19.

DETERMINATION OF SAFETY IMPACT

Recommendations B, C, D, E and F will allow Metro to quickly negotiate and execute any modifications needed in response to COVID-19.

FINANCIAL IMPACT

Budget for this action is included in the Life of Project (LOP) budgets of Capital project(s) 201057 - El Dorado 40 Foot CNG Buses, 201073 - New Flyer 60 Foot Zero Emission Buses, 201076 - New Flyer 60 Foot CNG Buses, and 201077 - BYD 40 Foot Zero Emission Buses. Subject to board approval, the FY21 budget will include \$208 million for bus acquisitions, charging infrastructure purchases, and installation.

Because the respective projects require multi-year contracts, the Cost Center Manager, and Project Manager will be responsible for future fiscal year budgeting.

Impact to Budget

The combined funding for these projects include Federal, State and Local sources including Green Funds. Additionally, staff will continue to pursue all additional grant and rebate opportunities as they materialize. This will ensure that the Bus Acquisition and Electrification Program remain within the Board adopted LOP budgets.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

This item supports the following Strategic Goals 1) Provide high-quality mobility options that enable people to spend less time traveling and 5) Provide responsive, accountable, and trustworthy governance within the Metro organization.

ALTERNATIVES CONSIDERED

Staff considered remaining with the limited number of chargers. This alternative was not selected as it lessens Metro's ability to charge the vehicles at Division 8 in a timely manner and raise maintenance and operational costs of the electric bus deployments.

NEXT STEPS

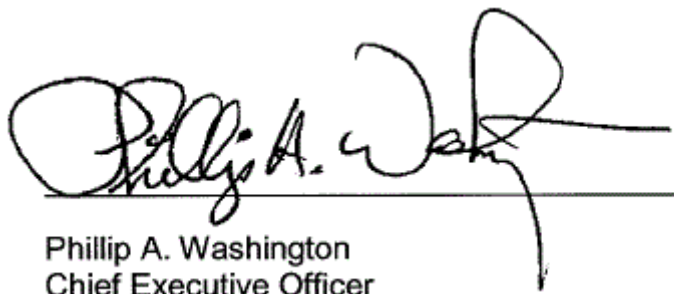
Upon Board approval, staff will execute the Contract Modification with New Flyer of America, and staff will negotiate and execute within staff authority future contract modifications.

ATTACHMENTS

- Attachment A - OP28367-001 New Flyer of America, Inc. Procurement Summary
- Attachment B - OP28367-001 New Flyer of America, Inc. Contract Modification Log
- Attachment C - OP28367-002 BYD Coach & Bus, LLC Procurement Summary
- Attachment D - OP28367-002 BYD Coach & Bus, LLC Contract Modification Log
- Attachment E - OP28367-000 EIDorado National (California), Inc. Procurement Summary
- Attachment F - OP28367-000 EIDorado National (California), Inc. Contract Modification Log
- Attachment G - OP28367-003 New Flyer of America, Inc. Procurement Summary
- Attachment H - OP28367-003 New Flyer of America, Inc. Contract Modification Log

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