Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

Metro

Board Report

File #: 2018-0004, **File Type:** Agreement **Agenda Number:** 10.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE
MARCH 15, 2018

SUBJECT: ASSIGNMENT OF BUSES TO GARDENA MUNICIPAL BUS LINES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to negotiate and execute an Assignment Agreement with Gardena Municipal Bus Lines (GTrans) for 46 of the Option 40-foot CNG transit buses under Contract No. OP28367-000, Part A from El Dorado National (California), Inc. ("ENC") at no cost to Metro.

ISSUE

Metro's solicitation, under RFP No.OP28367, specified a total of 600 buses, of either a CNG or Zero Emission (ZE) configuration, for replacement of its 40' transit CNG buses. In June 2017, the Board awarded Contract No. OP28367-000, Part A to ENC for 295 40' CNG buses with authority to exercise up to 305 option vehicles.

Metro has received a request from GTrans for the assignment of 46 40' CNG transit buses. In a continuing effort to partner with regional municipal operators to reduce regional fleet emissions, Metro staff recommends assigning 46 option vehicles under ENC Contract No. OP28367-000 to GTrans. This assignment does not affect the base order. The Assignment of options (i.e. Piggybacking) is allowed per the Federal Transit Administration (FTA) guidelines. FTA recognizes that a transit agency may have valid reasons to specify more vehicles in its contract (e.g. option transit buses) than are ultimately needed. When contract vehicles are no longer required by a transit agency's fleet plan, they are allowed to assign the excess vehicles to another transit agency. Assignment of these options to GTrans will reduce the number of option vehicles available to 259 under the ENC contract.

DISCUSSION

In April 2016, Metro's Board of Directors authorized staff to initiate RFP No. OP28367 for the procurement of up to 1,000 CNG or Zero Emission Transit Buses for replacement of up to 600 40' transit buses and 400 60' transit buses. Subsequently, four contracts were awarded in response to RFP No. OP28367, one for each vehicle type:

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- Part A, 40’ CNG buses (base order of 295 buses, awarded to ENC in June 2017)
- Part B, 60’ CNG buses (base order of 65 buses, awarded to New Flyer (NF) in July 2017)
- Part C, 40’ ZE buses (base order of 60 buses, awarded to Build Your Dreams in July 2017)
- Part D, 60’ ZE buses (base order of 35 buses, awarded to NF in July 2017)

In summary, contracts for 455 buses have been awarded from the 1000 authorized by the Metro Board under RFP No. OP28367, leaving a potential of 545 to be awarded as Option Vehicles under the above contracts.

Given the availability of option vehicles, in order to partner with regional municipal operators to reduce regional fleet emissions, Metro staff is recommending Board approval to negotiate and execute an assignment agreement with GTrans for 46 Option forty-foot CNG buses under Contract No. OP28367-000, Part A.

The no-cost Assignment agreement to be executed for this action is a three-party agreement between Metro, ENC and GTrans. The Assignment agreement obligates GTrans and ENC to indemnify and hold Metro harmless for any claims that may arise from the delivery and operation of the vehicles being purchased by GTrans from ENC. Assigning the options to GTrans will not impact Metro’s service. Metro’s expectation is to utilize electric buses in place of CNG powered vehicles. Also, RFP No. OP28367 allows for an additional 545 buses to satisfy Metro’s needs.

FINANCIAL IMPACT

There is no financial impact to Metro from the approval of this item, as GTrans will be responsible for any expenditures that result from this three-party assignment agreement

ALTERNATIVES CONSIDERED

Staff considered not assigning the 46 vehicles. This alternative is not recommended as it would withhold valid vehicles from potential purchase by our municipal transit partners, thereby increasing the length of time for GTrans procurement process and possibly delay the introduction of cleaner vehicles into the Gardena fleet.

NEXT STEPS

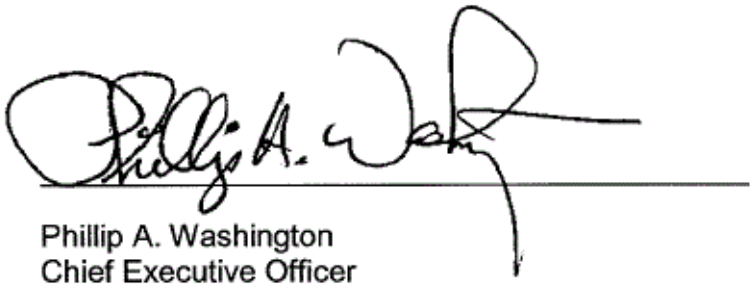
Upon Board approval, staff will execute an Assignment Agreement with GTrans to assign 46 vehicles under Contract No. OP28367-000, Part A.

ATTACHMENTS

Attachment A - GTrans Letter Request

Prepared by: Steve Schupak, Sr. Manager, Project Control, (213) 617-6294
Jesus Monte, Sr. Executive Officer, Vehicle Acquisition, (213) 418-3277

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



Phillip A. Washington
Chief Executive Officer

TASHA CERDA, Mayor
DAN MEDINA, Mayor Pro Tem
MARK E. HENDERSON, Councilmember
ART KASKANIAN, Councilmember
RODNEY TANAKA, Councilmember
MINA SEMENZA, City Clerk
J. INGRID TSUKIYAMA, City Treasurer

GTRANS

CITY OF GARDENA

EDWARD MEDRANO, Acting City Manager
PETER L. WALLIN, City Attorney
ERNIE CRESPO, Director of Transportation

August 21, 2017

Ms. Elizabeth Hernandez
Sr. Contract Administrator
Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952

RE: Assignment of 40' Compressed Natural Gas (CNG) Bus Options

Dear Ms. Hernandez,

Per GTrans' previous Letter of Interest dated October 6, 2016, GTrans is requesting that Metro assign options CNG buses, awarded under Contract No. OP28367-000 - Part A, to El Dorado National-California, Inc. of Riverside, California.

Specifically GTrans is requesting the assignment of options for 46, 40' CNG buses under this solicitation, to complete its five year fleet replacement plan. GTrans will utilize a mixture of federal, state and local funding available to the agency to complete a phased purchase of these buses.

Thank you for the opportunity to be a part of Metro's solicitation. GTrans looks forward to continuing to work with you on the successful procurement of these vehicles. Please contact me at 310.965.8801 or ecrespo@gardenabus.com, or contact GTrans' Transit Administrative Officer, Dana Pynn at 310.965-8811 or dpynn@gardenabus.com if you have any questions.

Sincerely,

Ernie Crespo
Director of Transportation.

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NEXT STEPS

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ATTACHMENTS

Attachment A - GTrans Letter Request

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Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 418-3108
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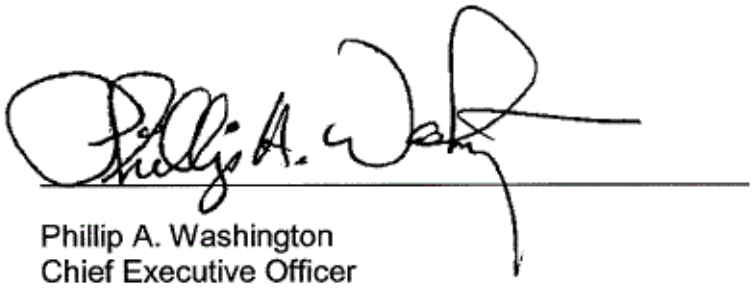

Phillip A. Washington
Chief Executive Officer