



Agenda Item No. 2

To: Transportation Committee/Committee of the Whole  
Meeting of June 12, 2008

From: Teri W. Mantony, Deputy General Manager, Bus Division  
Celia G. Kupersmith, General Manager

Subject: **AUTHORIZE A COMPETITIVE NEGOTIATION PROCESS FOR  
CONTRACT NO. 2009-BT-13, FORTY-FIVE FOOT INTERCITY  
CONFIGURATION COACHES**

### **Recommendation**

The Transportation Committee recommends that the Board of Directors find that a sealed-bid method of procurement does not adequately meet the District's needs in regards to a bus procurement, and instead direct the purchase of up to 30 forty-five foot Intercity Configuration Coaches through a competitive negotiation process, in accordance with California Public Contract Code Sections 20216-20217.

### **Summary**

Approval of this action will allow staff to use the more flexible competitive negotiation procurement process to purchase transit buses. Whereas a sealed bid process looks only to price, a competitive negotiation process enables staff to evaluate factors in addition to price, such as technical expertise, experience, past performance, vendor stability, production schedules, and after-market support. Such a process allows the District to best consider the broadest possible range of competing products.

Public Contract Code Sections 20216-20217 allows the Board of Directors to determine and find by a two-thirds vote that more traditional means of procurement do not adequately meet the District's needs in regards to a bus procurement, and to direct the purchase of rolling stock under a competitive negotiation process. This process utilizes a Request for Proposals (RFP), which provides the District with the flexibility to use other evaluation criteria, in addition to price, to select a bus manufacturer that best meets the District's requirements. The use of RFPs as a method of procuring rolling stock is an accepted practice according to the Federal Transit Administration (FTA).

District staff has identified nineteen (19) coaches (1991 TMC model) that have exceeded their useful life and are eligible for replacement under FTA replacement guidelines. Due to service needs requiring additional seating capacity dictate that these nineteen (19) forty foot coaches be replaced

with thirteen (13) forty-five foot coaches. The proposal documents will include an option to purchase up to seventeen (17) additional coaches to replace 1994 Flexible coaches that have also exceeded their useful life. In the event the District elects not to utilize these options they will be assignable to another transit agency.

If the Board of Directors authorizes the competitive negotiations process, the District will issue an RFP modeled after the American Public Transit Association's *Standard Bus Procurement Guidelines*, which has been approved by the FTA and consistent with State law.

**Fiscal Impact**

There is no fiscal impact associated with authorizing the method of procurement. The amount budgeted for this project, including related spare parts and equipment, is \$6,486,500 of which \$5,221,632.50 (80.5%) is federally funded and \$1,264,867.50 (19.5%) is District funded. Funds in the amount of \$6,486,500 have been budgeted for the procurement itself, based upon the standard grant-funded coach price established by MTC.