

**EVALUATION OF BID  
PROPOSALS**

FOR: TWO LOW FLOOR 40' ALL ELECTRIC BUSES

Bid File No. 3604  
Bid Opening: 7/31/2018

<u>BIDDERS</u>	<u>TOTAL NET BID AMOUNT</u>
BYD COACH & BUS (*nonresponsive) 1800 S FIGUEROA ST LOS ANGELES CA 90015	\$1,763,069.14 <i>MP</i>
NEWFLYER OF AMERICA INC. (*nonresponsive) 711 KERNAGHAN AVENUE WINNIPEG MANITOBA R2C 3T4	\$2,401,678.41 <i>MP</i>
PROTERRA INC. 1815 ROLLINS ROAD BURLINGAME CA 94010	\$2,718,572.73 <i>MP</i>

Each bidder has agreed to allow the City one hundred twenty (120) days from date bids are opened to accept or reject their bid proposal. Purchasing requests that you complete the following sections and return this bid evaluation to the Purchasing Division at the latest by Monday, 8/21/2018 AT 5:00 P.M.

The Budget Allocation for this expenditure is \$ 2,260,000. The contract price is 20 % above the Budget Allocation. If the overage is greater than 10% or only one bid was received, give explanation:

\*BYD and New Flyer were deemed nonresponsive to the original solicitation.

Two of the line items of this bid are for spare parts and tooling which would have been purchased if there was funding left over. FAX will also receive a voucher for electric buses from the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) in the amount of \$150,000 per bus. The sum of those two line item and voucher would reduce the cost from \$2,718,572.73 to \$2,340,308.14, 4% above the Budget Allocation. See calculation below.

Item	Description	Qty.	Unit Price	Line Total
1	40' Low Floor All-Electric Bus	2	\$1,114,184.00	\$2,228,368.00
2	Shop Depot Chargers	2	\$76,425.00	\$152,850.00
3	Spares	1	\$48,876.00	\$48,876.00
4	Tooling and Equipment	1	\$23,608.00	\$23,608.00
5	Delivery (Non Taxable)	2	\$4,000.00	\$8,000.00
6	ADA (Non Taxable)	2	\$30,594.00	\$61,188.00
	Subtotal			\$2,522,890.00
	Tax			\$195,682.73
	<b>Total</b>			<b>\$2,718,572.73</b>
	HVIP	2	(\$150,000.00)	(\$300,000.00)
	Subtractions (Item 3 & 4)			(\$72,484.00)
	Adjusted Tax			(\$5,780.60)
	<b>Corrected Total</b>			<b>\$2,340,308.14</b>
	Budget Allocation			\$2,260,000.00
	Percent Difference			4%

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**BACKGROUND OF PROJECT** (To be completed by Evaluating Department/Division. Explain need for project/equipment):

The FAX fixed route bus fleet has a total of a 110 vehicles with 98 buses needed for peak service. FTA allows agencies to retain an additional 20% of their peak service requirement as spares. The spares buses are used to fill spots for vehicles scheduled for service that are held for routine maintenance service, are unable to make service due to mechanical failures, or an increase/expansion to service. Due to the implementation of BRT and FAX15 service along with retiring buses with costly repairs and outdated system, FAX currently has 20 spares, leaving the fleet deficient 7 spare vehicles. This deficiency has hindered our ability to maintain service at times and with service expansions will continue to increase the demand for additional buses.

For this solicitation, knowing that mileage range of electric buses is the limiting factor, FAX determined that it would need a minimum of 250 miles per charge to effectively utilize these buses in regular service. FAX calculated, based on the needed mileage, that it would need 660 kWh to utilize an electric bus effectively. FAX longest service route is approximately 250 miles and with the average electric bus getting 2.2 kWh/mile, FAX needs 550 usable kWh. The battery technology being used in the industry does not fully charge the bus to 100% or use the last 10% of the battery reserve; this process prolongs the useful life of the battery. With FAX needing 550 kWh of usable battery, at a minimum the battery capacity would need to be 20% higher (660 kWh).

Due to the unique requirement FAX needs from an electric bus, FAX issued a Request for Information (RFI) to see if anyone in the industry could meet our needs prior to the bid solicitation. During this solicitation many manufacturers responded that they could meet our requirements, but some were unable to provide the data needed by FAX to prove their claims. The City's Purchasing Department reached out to those manufacturers that did not respond to the RFI, specifically GreenPower Motor Company Inc. of Porterville, CA. GreenPower was not aware of the RFI, but was informed that a bid solicitation would be going out shortly on our city website.

The Purchasing division released a solicitation for competitive bids from qualified vendors on May 29, 2018. Notification of this solicitation was sent to 147 potential bidders and specifications were subsequently distributed to 4 prospective bidders. The structure of the bid specifications attempted to maximize competition by allowing all manufacturers of a 40' low floor all electric buses to bid, with the award based on lowest responsive bid. A public bid opening was held on July 31, 2018 and three bids were received. New Flyer and BYD were the two lowest bids and both took exception to some of the minimum technical specifications, specifically the minimum mileage range. Since they could not meet our specification, FAX deemed them non-responsive and bypassed them leaving only Proterra as the responsive and responsible bidder. GreenPower did not submit a bid for this solicitation. Staff has researched pricing of comparable vehicles and determined that the pricing from the bidder was fair and reasonable.

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**DEPARTMENT CONCLUSIONS AND RECOMMENDATION:**

Award a contract in the amount of \$2,718,572.73  
to Proterra Inc.  
as the lowest responsive and responsible bidder.

Remarks:

Reject all bids. Reason:

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Department Head Approval

[Signature]  
Title Interim Director  
Date 8.29.18

- Approve Dept. Recommendation     Approve Finance/Purchasing Recommendation  
 Disapprove     Disapprove  
 See Attachment

FINANCE DEPARTMENT

CITY MANAGER

[Signature]    08/30/2018  
Purchasing Manager    Date  
Procurement Supervisor  
[Signature]    8/30/18  
Finance Director    Date

[Signature]    9/10/18  
City Manager or Designee    Date

**FISCAL IMPACT STATEMENT**

PROGRAM:

<u>RECOMMENDATION</u>	<u>TOTAL OR CURRENT</u>	<u>ANNUALIZED COST</u>
Direct Cost	<u>\$2,340,308.14</u>	_____
Indirect Cost	<u>\$0.00</u>	_____
TOTAL COST	<u>\$2,340,308.14</u>	_____
Additional Revenue or Savings Generated	<u>N/A</u>	_____
Net City Cost	<u>\$2,340,308.14</u>	_____
Amount Budgeted (If none budgeted, identify source)	<u>\$2,260,000.00</u>	_____