



LEAD STAFF: Manny Caluya, Procurement Supervisor
Brad Menil, Maintenance Superintendent

I. RECOMMENDED ACTION:

Amend resolution No. 6063 authorizing the CEO to issue a purchase order to New Flyer, Inc. for the purchase of up to four (4) hydrogen fuel cell electric buses (FCEB) to reflect usage of State of Washington contract not the State of California Department of General Services (DGS) contract.

II. SUMMARY:

- New Flyer, Inc., has not completed their negotiations on the Producer Price Index (PPI) increase with DGS.
- DGS PPI is expected to be considerably higher
- New Flyer and Washington State have finalized their contract renewal in April 2022 and settled the PPI increase at 11.78%
- It will be beneficial and more cost effective for RTD to use the State of Washington contract

III. DISCUSSION/BACKGROUND

On August 19, 2022, the San Joaquin Regional Transit District (RTD) Board of Directors approved a resolution for the issuance of a purchase order for up to four (4) hydrogen fuel cell electric buses (FCEB) by piggybacking on the State of California DGS contract.

Staff has since discovered that New Flyer, Inc., is still in negotiations with DGS and has not finalized the Producer Price Index (PPI). According to New Flyer, it is expecting the PPI increase with DGS to be higher than the State of WA and predicting that it can be up to 19%. The State of WA was already settled at 11.78%.

Furthermore, suppliers have been charging surcharges to the manufacturers due to the current supply economic situation. The State of Washington contract does not allow New Flyer, Inc. to pass its suppliers' surcharges. In addition, the contract includes pricing for 400+ optional features and spare parts. DGS only has 12 listed.

Staff recommends that the Board consider amending resolution No. 6063 authorizing the CEO to issue a purchase order to New Flyer, Inc. for the purchase of up to four FCEBs to reflect usage of State of Washington contract.

IV. STRATEGIC PLAN PRIORITIES ALIGNMENT

This report aligns with RTD's Strategic Priorities 3 and 4.

Strategic Priorities:

1. Employees
2. Customers
3. Financial Health
4. Operations Excellence
5. Community Relations
6. Innovation

V. FINANCIAL CONSIDERATIONS/IMPACT

- \$1,650,000 per bus
 - \$6,600,000 total
 - FY21 CMAQ, FY 22 State of Good Repair, up to 4 HVIP vouchers, and FY 16 Measure K BRT Capital
- The fourth bus will be purchased provided RTD qualifies for three or four vouchers from the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), currently estimated at \$240,000 each, up to \$960,000.

VI. CHANGES FROM COMMITTEE

N/A

VII. ALTERNATIVES CONSIDERED

Do nothing. This may delay the process until the PPI negotiations with DGS are completed.

VIII. ATTACHMENTS

Attachment A: Resolution

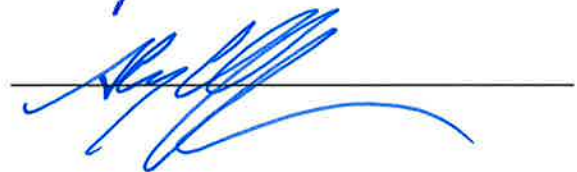
Prepared by: Manny Caluya, Procurement Supervisor

IX. APPROVALS

Financial Impact Approved:
Robert Kyle, CFO



Alex Clifford, CEO





Attachment A

Cover Page

RESOLUTION NO. 6063
DATED: AUGUST 30, 2022

AMEND RESOLUTION AUTHORIZING THE CEO TO ISSUE A PURCHASE ORDER TO NEW FLYER, INC. FOR THE PURCHASE OF UP TO FOUR (4) HYDROGEN FUEL CELL ELECTRIC BUSES FOR A TOTAL AMOUNT NOT TO EXCEED \$6,600,000

WHEREAS, in 2022 San Joaquin Regional Transit District (RTD) learned of a contract opportunity to piggy-back on the contract with the State of California Washington for the purchase of four hydrogen fuel cell electric buses to support RTD's goal of a zero emissions fleet; and

WHEREAS, New Flyer's July 20, 2022 quoted price for the four (4) 40-foot hydrogen fuel cell electric buses is \$1,341,437 each plus sales tax and any additional configuration.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of San Joaquin Regional Transit District, as follows:

- 1) That the CEO be, and hereby is authorized and directed to issue a purchase order to New Flyer, Inc. for the purchase of four 40-foot hydrogen fuel cell electric buses for a total contract amount not to exceed \$6,600,000.00.
- 2) That the Chair of the Board and the CEO, acting individually, are hereby authorized and directed to execute such other agreements and amendments to this agreement, and to take such other actions as may be necessary or appropriate to carry out the intent and purpose of this resolution.