



ITEM ID: 2023-256-0

TRANSMITTAL DATE: July 21, 2023

MEETING DATE: July 28, 2023

TO: Board of Directors

FROM: Arnold Hackett, Chief Financial Officer

SUBJECT: Purchase Order Nos. PO925A-24 & PO925B-24 - Maintenance of Way (MOW) Specialty Vehicles - Recommendation to Award - Custom Truck One Source, L.P. dba Custom Truck & Equipment, LLC & Brandt Industries USA Ltd.

Issue

The Authority requires Maintenance of Way (MOW) Specialty Vehicles to help maintain its track and signal infrastructure in a state of good repair.

Recommendation

Contracts, Operations, Maintenance, and Safety Committee recommended (5-0) the Board authorize the CEO to award the following Purchase Orders for Maintenance of Way (MOW) Specialty Vehicles:

1. PO925A-24 for four International welding trucks to Custom Truck One Source, L.P. dba Custom Truck & Equipment, LLC in a total amount of \$1,771,929.00
2. PO925B-24 for one Freightliner power unit to Brandt Industries USA Ltd. in a total amount of \$1,495,222.50

This is a one-time purchase with delivery of the customized vehicles to the Authority's Central Maintenance Facility (CMF) within nine months after receipt of order. This recommendation is subject to the resolution of any timely filed protests.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new

technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. The MOW Specialty Vehicles will help maintain the Authority's track and signal infrastructure in a state of good repair.

Background

The Authority has an aging fleet of Maintenance of Way vehicles and has identified 21 high priority heavy-to-light-duty MOW utility trucks to be replaced as part of this procurement. The 21 current MOW vehicles that this procurement will replace are beyond their useful life, do not meet emissions requirements, or are currently leased.

The Authority has considered several options to replace these 21 vehicles. The option to lease is costly and/or impractical given the customization required to incorporate the specialized auxiliary support equipment (i.e., cranes, pumps, and compressors).

Extensive research was done to identify zero emission MOW vehicles that can be used to replace our aging fleet, including staff attendance at Advanced Clean Transportation (ACT) Expo in Anaheim. Unfortunately, zero emission heavy-to-light trucks currently available in market are mainly developed for fixed route or short city deliveries.

To support environmental sustainability, staff incorporated Electric Power Take-Off (ePTO) technology (which runs hydraulic auxiliary equipment such as cranes, off rechargeable batteries, instead of the engine power) in the specifications of two of the vehicles in this procurement. The ePTO technology allows the vehicles to be driven on Tier 4 Diesel power to the jobsite and then operated turned off (instead of idling) thus reducing fuel consumption and greenhouse emissions. This approach was meant to serve as in interim solution to reduce emissions until zero emission MOW vehicles that incorporate the specialized auxiliary support equipment are available in the market.

Discussion

On May 30, 2023, the Authority published Invitation for Bids (IFB) No. PO925-24 on its procurement portal for MOW Specialty Vehicles (Vehicles). The Authority also advertised the solicitation in newspapers covering its five member counties, as well as in newspapers specializing in diversity. Electronic notifications were sent to 1,085 firms registered on the Authority's procurement portal and thirty prospective bidders expressed interest in the solicitation. The Authority hosted a virtual Pre-Bid Conference on June 7, 2023, which was attended by five prospective bidders. The Authority received and responded to 14 questions during the Questions & Answers (Q&A) period.

The Authority received three bids by the June 20, 2023 bid due date.

The solicitation allowed bidders to bid on all or any subset of the seven sections of Vehicles, with awards made to the lowest, responsive, and responsible bidder per section. Below are all the bids received (total amounts per section.)

Section	Total Quantity	Independent Cost Estimate (ICE)	L.B. Foster Company	Brandt Industries USA Ltd.	Custom Truck & Equipment, LLC	Bid price vs. ICE
Section 1: Welding Truck Description: New International HV613 Hi-VIS /Workstar or equivalent	4	\$1,156,320.00	No Bid	No Bid	\$1,771,929.00	153%
Section 2: Prentice Truck Description: New International HV613 Hi-VIS /Workstar or equivalent	2	No Bids	No Bid	No Bid	No Bid	
Section 3: Power Unit Description: New Freightliner 114 SD or equivalent	1	\$1,758,570.00	No Bid	\$1,495,222.50	No Bid	85%
Section 4: Signal Maintainer Truck Description: New Ford F250 or equivalent ¾ Ton Pick-up Truck, Extra Cab, 8400LB. GVWR	10	\$718,320.00	No Bid	No Bid	\$1,295,932.50	180%

Section 5: Vegetation Truck Description: New Ford F550 or equivalent Class 5, 19,500 LB. GVWR Rated Truck, Crew Cab	2	\$223,380.00	No Bid	No Bid	\$359,269.50	161%
Section 6: Lubrication Truck Description: New Ford or equivalent Class 5, 19,500 LB, GVWR Rated Truck, Extended Cab	1	\$239,805.00	\$328,979.61	No Bid	No Bid	137%
Section 7: Stake Bed Description: New Class 4 Bed Truck, Forward Cab w/ 3 seats. 15,000 LB, GVWR, Min range of 200 miles	1	No Bids	No Bid	No Bid	No Bid	

All received bids were found to be responsive and responsible. However, with one exception, the prices of the received bids were significantly higher than the Authority's estimates.

Based on the current market situation, bids received for Sections 1 and 3 were found to be fair and reasonable. For Sections 4, 5, and 6, Staff is not recommending an award because alternative options (notably existing vehicle schedules under California State Department of General Services) are found to be better fit for a new procurement activity. Staff will explore this approach and will return to the Board with a new recommendation if it is proven to be favorable to the Authority.

Unfortunately, the Authority did not receive any bids for the two Sections 2 and 7 for Vehicles that included the ePTO technology and Battery Electric (BEV) stake bed truck. Staff will re-evaluate the specifications of these Vehicles and issue a new procurement.

Disadvantaged Business Enterprise Program (DBE) Requirements

Although this is a Federal Transit Administration-assisted procurement, a 0% DBE goal was established due to limited DBE opportunity. All received bids were found to be responsive to the DBE requirements.

Budget Impact

The amounts for which contract authority is requested are included in the Adopted Capital Budgets for FY2020-21 (\$3,267,151.50).

Next Steps

Upon Committee approval and Board approval of this recommendation, the Authority will issue Purchase Orders to the awarded bidders. The Vehicles are expected to be delivered to the Authority within nine months.

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