

13-GM. MARYLAND TRANSIT ADMINISTRATION
General/Miscellaneous Contract

Contract ID: FY25 Hybrid Electric & Battery Electric Bus Buy; *OPS-24-030-EQ*
ADPICS No.: OPS24030EQ

Contract Description: This contract provides the Maryland Transit Administration (MTA) with fifty 40-foot hybrid electric, and twenty 40-foot Battery operated Electric Buses (BEB).

Award: New Flyer of America Inc.
St. Cloud, MN

Contract Term: 08/08/2024* – 08/07/2028 (**or earlier upon BPW approval*)

Amount: \$80,357,717.00

Procurement Method: Intergovernmental Cooperative Purchasing

DBE Participation: Federal Transit Administration, Transit Vehicle Manufacturer
(*See Agency Remarks*)

Requesting Agency Remarks: In 2019, the Maryland Department of Environment, in coordination with other Maryland agencies and stakeholders propose the Greenhouse Gas Reduction Act (GGRA) to achieve Maryland’s goal of reducing greenhouse gas emissions by 40% from 2006 levels by 2030. Under the GGRA, the MTA has committed to a program whereby 50% of its internal combustion engine buses will transition to zero-emission buses by 2030. Legislation in the 2024 session permits for the purchases through fiscal year 2026 of both hybrid and zero emission buses in recognition that supply chain issues continue with the demand of zero emission buses.

In consideration of the state of good repair for the bus fleet, and the safety and operational risks associated with an increasing average age of the bus fleet, it was determined that MTA could not wait to complete another competitive procurement for a multi-year bus buy after the failed procurement in 2023. To do so would leave a large gap in the necessary delivery schedule of new coaches. MTA then considered utilizing an Intergovernmental Cooperative Purchase Agreement (ICPA), to provide a substantially quicker and more cost-efficient procurement process that could fill the gap in new coach deliveries consisting of fifty hybrid buses and twenty battery-electric buses (BEB). MTA identified two potential ICPA BEB contracts, one with the State of Virginia and the other with the State of Washington.

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Agency Remarks (cont'd):

The State of Washington, Department of Enterprise Services (DES) Contract No. 06719 contract requirements are the closest in scope of work to meet MTA's requirements and allows for bus delivery in approximately 24 months from placing the order. Although there is a contract with Virginia, it was more cost effective and efficient to utilize the Washington contract as the pricing to adapt the base bus for Baltimore requirements was less costly.

The Washington contract for BEB has two contractors that can provide the 40-foot buses, New Flyer of America Inc. (New Flyer) and Gillig, Inc., while still being eligible for Federal Transit Administration (FTA) funded contracts. New Flyer was chosen due to fleet standardization. Allowing a third manufacturer into the fleet at this time would cause delays in manufacturing as prototypes would be required before delivery. MTA compared the overall costs to other transit and state agencies which utilized either the Virginia or Washington contracts for their bus purchases. The cost differences are consistent with expectation considering configuration difference. Therefore, the cost is considered fair and reasonable.

In the case of vehicle purchases using federal funding, a transit vehicle manufacturer (TVM) is required per 49 C.F.R. §26.49 to submit a certification that it has complied with FTA's DBE requirements. The FTA assigns and tracks DBE goals. FTA's website contains a list of current certified TVMs. New Flyer's DBE goal for FY2024 is 3.61%.

Entering into an ICPA with Washington to purchase these fifty hybrid electric buses and twenty zero-emission battery operated electric buses through New Flyer will provide cost benefits to the State, promote administrative efficiencies, intergovernmental cooperation, and would not circumvent the State's procurement process. Therefore, MTA request approval of this contract with New Flyer of America Inc., utilizing the ICPA procurement method.

Fund Source: 80% Federal; 20% Special (Transportation Trust Fund)

Approp. Code: J05H0105

Resident Business: No

MD Tax Clearance: 24-2424-1101

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION