


CITY COUNCIL ACTION REQUEST

Department(s) Finance	CEQA Not a Project, File No. PP17-003,	Coordination Airport Department; City Attorney's Office; City Manager's Budget Office; Department of Public Works	Dept. Approval /s/ Drew Corbett
Council District(s) Citywide	Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.		CMO Approval  12/10/24

SUBJECT: Actions Related to the Purchase Order with Gillig LLC for Electric Buses

REASON FOR ADDENDUM

The purchase order is scheduled to go into effect at the beginning of 2025, and as such, the approval is required in advance of the effective date.

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to:

- a) Execute a purchase order with Gillig LLC (Livermore, CA) for new 40' low floor plus electric buses with a 290" wheelbase beginning on or about January 2, 2025, and ending on or about January 1, 2026, for a not-to-exceed amount of \$4,722,000; and
- b) Exercise up to six one-year options to extend the term of the purchase order, with the last option ending on or about January 1, 2032, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION

The San José Mineta International Airport intends to replace aging compressed natural gas-powered buses with full electric buses. Full electric buses will continue to provide passenger transportation between airport terminals, rental car facilities, and remote parking lots while leveraging an environmentally sustainable mode of transportation. Based on current utilization, the Airport Department estimates that full electric buses will save approximately 31,200 gallons (equivalent) of compressed natural gas annually. The Airport Department intends to primarily fund the purchase of these full electric buses through a Federal Aviation Administration Zero Emissions Vehicle Grant.

In August 2024, a competitive Request for Bids was facilitated by the Finance Department to procure these products. The Request for Bids provisioned for a one-year initial term and an additional six one-year options for the City to extend the term. One responsive bid was submitted, and no protests were received. The sole bidder did not qualify for the City's local or small business preference. Staff recommends award to Gillig LLC as the sole, responsive, and responsible bidder pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310B(1). Approval of this recommendation ensures the City receives these essential products.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input associated with this action.

COST AND FUNDING SOURCE

The recommended action relating to this purchase order of \$4,722,000 is funded by the Zero Emissions Buses appropriation in the Airport Renewal and Replacement Fund (\$1,400,000) and Airport Capital Improvement Fund (\$3,322,000).

FOR QUESTIONS CONTACT: Albie Udom, Deputy Director of Finance - Purchasing and Risk Management, at Albie.Udom@sanjoseca.gov.