



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: October 25, 2017

Approved

Date

10-26-17

SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDER FOR AIRPORT ELECTRIC BUSES

RECOMMENDATION

Adopt a resolution authorizing the City Manager to:

1. Execute a purchase order with Proterra, Inc. (Burlingame, CA) for the purchase of ten new electric passenger shuttle buses for the Mineta San José International Airport, in an amount not-to-exceed \$7,598,238, excluding applicable sales tax and license fees.
2. Approve a contingency of \$760,000 for any unforeseen changes or modifications to the design of the vehicles, subject to the appropriation of funds.
3. Approve the purchase of additional buses for up to five years from the initial purchase date, subject to the appropriation of funds.

OUTCOME

Replace ten shuttle buses at the Airport that are fueled by compressed natural gas (CNG) with zero emissions electric buses.

BACKGROUND

Mineta San José International Airport is currently leasing CNG buses as a mode of transportation for Airport passengers to terminals, rental car garage, and parking areas. With the purchase of ten new electric buses to replace the existing CNG buses, the Airport will reduce green gas emissions, improve air quality, and comply with clean air initiatives.

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ANALYSIS

A competitive Request for Bid was facilitated by the Finance Department to procure the buses. Two bids were received from Proterra, Inc. and BYD Coach & Bus LLC, who submitted bids of \$759,824 and \$969,498 per bus, respectively. Staff recommends award to Proterra, Inc. as the lowest, responsive, and responsible bidder pursuant to the formal bidding procedures of the San José Municipal Code, Section 4.12.310B.

This purchase is funded by a Zero Emission Vehicle Grant from the Federal Aviation Administration (FAA).

EVALUATION AND FOLLOW-UP

There is no anticipated City Council follow-up for this action.

PUBLIC OUTREACH

This item will be posted on the City's website for the November 7, 2017 City Council Agenda.

COORDINATION

This memorandum has been coordinated with the Departments of Aviation and Public Works; the City Attorney's Office, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

Airport Staff briefed the Airport Commission regarding the FAA Grant Funding and the procurement of the electric buses at the August 14, 2017 Airport Commission Meeting.

FISCAL/POLICY ALIGNMENT

This Council item is consistent with Council approved Budget Strategy and DOT's mission, which is to provide the community with safe, secure, and efficient surface and air transportation systems that support San Jose's livability and economic vitality.

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BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Recommendation	2017-2018 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No)
520	400G	Zero Emissions Buses	\$13,074,000	\$3,799,119	872	6/20/2017, Ord. No. 29962
527	400G	Zero Emissions Buses	\$3,632,000	\$3,799,119	872	6/20/2017, Ord. No. 29962

CEQA

Not a Project, File No. PP17-003; Agreements, and Contracts resulting in no physical changes to the environment.

/s/
JULIA H. COOPER
Director of Finance

For questions please contact Mark Giovannetti, Deputy Director of Finance, at 408-535-7052.