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Metropolitan Transportation Authority

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OCTOBER 6, 2017

TO: BOARD OF DIRECTORS

THROUGH: PHILLIP A. WASHINGTON PAW
CHIEF EXECUTIVE OFFICER

FROM: DEBRA AVILA *DAV*
CHIEF VENDOR CONTRACT MANAGEMENT OFFICER

**SUBJECT: 60-FOOT ARTICULATED ZERO EMISSION AND CNG
TRANSIT BUSES – NEW FLYER OF AMERICA**

ISSUE

On July 27, 2017, the Metro board approved two contracts with New Flyer of America (New Flyer) to manufacture and deliver Thirty-Five 60-foot Zero Emission Transit Buses and Sixty-Five 60-foot CNG Transit Buses. The value of these two contracts is \$60,050,097 and \$66,284,545, respectively. The terms and conditions for the two Transit Bus Contracts have been fully negotiated and are planned to be formally executed by Metro's CEO and New Flyer's President at a signing ceremony to be held Tuesday, October 10, 2017 at the APTA Annual Conference.

DISCUSSION

The two Transit Bus contracts for 60-foot articulated vehicles are noteworthy because they include Metro's Local Employment Program (LEP) that incentivized proposers to commit to hiring new workers as part of the manufacturing and warranty requirements of the Transit Buses. New Flyer has committed to creating 20 new jobs at its Ontario CA, facility to support these two projects and has committed to creating \$1,295,389 in new wages and benefits.

As a condition of Board award approval of the two Transit Bus contracts, the Board adopted Director Bonin's motion that required New Flyer to contractually commit to enhancing their Local Employment Program to include the following requirements:

- New Flyer commits to create jobs which meet or exceed the living wage standard for City of Los Angeles Government Contractors.

- New Flyer commits to develop a pre-apprenticeship program which will result in sustainable career development and transferable skills in vehicle manufacturing for Californians.
- New Flyer commits that its Local Employment Plan in Ontario, California will include a minimum of 40% of the jobs provided to underserved or underrepresented communities in manufacturing, such as minorities, women, veterans, disables or returning citizens.

The two new Metro/New Flyer contracts contain all of the requirements defined by the Board's award approval and are now ready for formal contract execution.

NEXT STEPS

Staff will monitor all New Flyer's contractual obligations for delivery of Transit Buses, including adherence to Metro's Local Employment Program to ensure all contractual requirements are met.