

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 27-28, 2024

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8b.(5), Action Item

Prepared By: Dee Lam, Chief  
Division of Local Assistance

Subject: **POST-FACT REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM COMPONENTS WAIVER 24-115**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve a Post-Fact request to extend the period of contract award for four Transit and Intercity Capital Program (TIRCP) (2022:01) Anaheim Transportation Network (ATN) FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience project components, in Orange County, for the time periods as identified in the attachment?

### **RECOMMENDATION:**

The California Department of Transportation (Department) recommends that the Commission approve a Post-Fact request to extend the period of contract award for four TIRCP (2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience project components, in Orange County, for the time periods as identified in the attachment.

### **BACKGROUND:**

In June 2023, the Commission allocated a total of \$14,324,000 for the Construction (CON) phase of the four TIRCP (2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience components. The responsible agency has been unable to award the third-party contracts per the TIRCP Allocation Policy.

The current TIRCP Allocation policy stipulates that the agency implementing a project component request a time extension if the project component will not be awarded within the specified timeline. Under the Timely Use of Funds (TUF) policy, an extension can be

*“Provide a safe and reliable transportation network that serves all people and respects the environment.”*

requested for up to 20 months for each delivery milestone, where permissible by statute. The attachment describes the details of the project components and the explanation of the delays.

Attachment

*“Provide a safe and reliable transportation network that serves all people and respects the environment.”*

**Post-Fact Time Extension/Waiver – Contract Award  
Transit and Intercity Rail Capital Program**

Project Number: 1  
Applicant: Anaheim Transportation Network  
County: Orange  
District: 12  
PPNO: CP086  
Allocation Amount: \$877,000  
Phase: Construction  
Allocation Date: June 29, 2023  
Allocation Resolution: TIRCP-2223-82  
Number of Months Requested: 12 Months  
Extended Deadline: December 31, 2024  
Department Recommendation: Support

**(2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Purchase 7 (10 Passenger) ZEV vans for EVE: New Airport Connection & Night Owl)**

The Anaheim Transportation Network (ATN) requests a 12-month Post-Fact time extension for the period of contract award for the Construction (CON) phase of the (2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Purchase 7 (10 Passenger) ZEV vans for EVE: New Airport Connection & Night Owl) component. ATN has experienced unexpected delays in awarding the third-party contract.

In June 2023, the Commission approved a total allocation of \$877,000 to the ATN to complete the Construction (CON) phase. The project component scope of work consists of leasing seven new all electric shuttle vans along with the installation of integrated contactless payment readers for transit service between John Wayne Airport, Anaheim Convention Center, and Disneyland Resort.

Following allocation, ATN proceeded with award solicitation and had promising interest from various manufacturers. However, during the bid process, some vehicle manufacturers informed ATN that they planned to stop vehicle production due to bankruptcy which led ATN to be cautious as they sought alternative vendors. ATN then joined the California Association for Coordinated Transportation (CALACT) to lease transit vehicles through the CALACT Purchasing Cooperative (Cooperative) agreement. Additional time is needed to continue the reevaluation of the procurement vehicle options prior to making a final decision.

A time extension for the period of contract award was not submitted prior to the 6-month deadline due to a misunderstanding by ATN staff of the timeline requirements. ATN was under the understanding that a 12-month period for contract award was granted following allocation. A time extension was not pursued in December 2023 because ATN had informed the Department that they would execute the contract in December 2023. While ATN came to terms with a vendor in December 2023, in March 2024 it was realized by the Department that a misunderstanding occurred and ATN was actually only in negotiations to execute one contract and not all four. The contract was not executed for this component. ATN was then notified and is now aware that the TUF stipulate contract award within six months from allocation and that the deadline was December 2023, not June 2024.

Therefore, ATN is requesting a 12-month Post-Fact time extension for the period of contract award for the CON phase from December 31, 2023 to December 31, 2024.

Project Number: 2  
Applicant: Anaheim Transportation Network  
County: Orange  
District: 12  
PPNO: CP086A  
Allocation Amount: \$313,000  
Phase: Construction  
Allocation Date: June 29, 2023  
Allocation Resolution: TIRCP-2223-82  
Number of Months Requested: 12 Months  
Extended Deadline: December 31, 2024  
Department Recommendation: Support

**(2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Purchase 10 (15 passenger) ZEV Microtransit for FRAN)**

The ATN requests a 12-month Post-Fact time extension for the period of contract award for the CON phase of the (2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Purchase 10 (15 passenger) ZEV Microtransit for FRAN) component. ATN has experienced unexpected delays in awarding the third-party contract.

In June 2023, the Commission approved an allocation of \$313,000 to the ATN to complete the CON phase. The project component scope of work consists of the purchase of ten all-electric passenger zero-emission vehicles to extend the Free Rides Around the Neighborhood (FRAN) service to Historic Orange and Chapman University.

Following allocation, ATN proceeded with award solicitation and had promising interest from various manufacturers. However, during the bid process, the City of Orange (City) informed ATN that the City wanted to have an assessment of the existing budget to explore potential contributions from local businesses and partners to support operations. ATN worked with the City to finalize the assessment and all operations funding. The assessment was complete in January 2024, ATN was unable to complete a purchase order by the deadline. Additional time is needed to evaluate the procurement vehicle options.

A time extension for the period of contract award was not submitted prior to the 6-month deadline due to a misunderstanding by ATN staff of the timeline requirements. ATN was under the understanding that a 12-month period for contract award was granted following allocation. A time extension was not pursued in December 2023 because ATN had informed the Department that they would execute the contract in December 2023. While ATN came to terms with a vendor in December 2023, in March 2024 it was realized by the Department that a misunderstanding occurred and ATN was actually only in negotiations to execute one contract

and not all four. The contract was not executed for this component. ATN was then notified and is now aware that the TUF stipulate contract award within six months from allocation and that the deadline was December 2023, not June 2024.

Therefore, ATN is requesting a 12-month Post-Fact time extension for the period of contract award for the CON phase from December 31, 2023 to December 31, 2024.

Project Number 3  
Applicant: Anaheim Transportation Network  
County: Orange  
District: 12  
PPNO: CP086C  
Allocation Amount: \$12,586,000  
Phase: Construction  
Allocation Date: June 29, 2023  
Allocation Resolution: TIRCP-2223-83  
Number of Months Requested: 12 Months  
Extended Deadline: December 31, 2024  
Department Recommendation: Support

**(2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Purchase of 15 – 40' Zero-Emission Buses for ART Fleet Conversion)**

The ATN requests a 12-month Post-Fact time extension for the period of contract award for the CON phase of the (2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Purchase of 15 – 40' Zero-Emission Buses for ART Fleet Conversion) component. ATN has experienced unexpected delays in awarding the third-party contract.

In June 2023, the Commission approved an allocation of \$12,586,000 to the ATN to complete the CON phase. The project component scope of work consists of the purchase of 15 40-foot zero-emission buses to complete a full transition to an all-electric fleet.

Following allocation, ATN proceeded with award solicitation and had promising interest with various manufacturers. However, during the bid process, some vehicle manufacturers began experiencing financial difficulties, with some eventually filing for bankruptcy. Additional time is needed to reevaluate the procurement vehicle options prior to making a final decision.

A time extension for the period of contract award was not submitted prior to the 6-month deadline due to a misunderstanding by ATN staff of the timeline requirements. ATN was under the understanding that a 12-month period for contract award was granted following allocation. A time extension was not pursued in December 2023 because ATN had informed the Department that they would execute the contract in December 2023. While ATN came to terms with a vendor in December 2023, in March 2024 it was realized by the Department that a misunderstanding occurred and ATN was actually only in negotiations to execute one contract and not all four. The contract was not executed for this component. ATN was then notified and is now aware that the TUF stipulate contract award within six months from allocation and that the deadline was December 2023, not June 2024.

Therefore, ATN is requesting a 12-month Post-Fact time extension for the period of contract award for the CON phase from December 31, 2023 to December 31, 2024.

Project: 4  
Applicant: Anaheim Transportation Network  
County: Orange  
District: 12  
PPNO: CP086D  
Allocation Amount: \$548,000  
Phase: Construction  
Allocation Date: June 29, 2023  
Allocation Resolution: TIRCP-2223-83  
Number of Months Requested: 2 Months  
Extended Deadline: February 29, 2024  
Department Recommendation: Support

**(2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Capital Outlay ANNA Corridor)**

The ATN requests a 2-month Post-Fact time extension for the period of contract award for the CON phase of the (2022:01) ATN FAST (Family of Advanced Solutions for Transit): Revolutionizing Transit for a Global Audience (Capital Outlay ANNA Corridor) component. ATN was able to award a third-party contract but did so two months after the TUF deadline.

In June 2023, the Commission approved an allocation of \$548,000 to the ATN to complete the CON phase. The project component scope of work consists of route and infrastructure improvements, Audiovisual technology, and Disadvantaged Business Enterprise outreach job development for the East West Advancing Neighborhood Networks for All corridor.

Following allocation, vendor negotiations prolonged into November 2023 and ATN came to terms with a vendor in December 2023. However, ATN did not have board approval to execute the contract until January 2024, which delayed final execution of the third-party contract.

A time extension for the period of contract award was not submitted prior to the 6-month deadline due to a misunderstanding by ATN staff of the timeline requirements. ATN was under the understanding that a 12-month period for contract award was granted following allocation. While the terms of agreement had been reached by the deadline, ATN was not aware of the deadline. A time extension was not pursued in December 2023 because ATN had informed the Department that they would execute the contract in December 2023. ATN came to terms with a vendor in December 2023. In March 2024, the Department received a copy of the executed agreement and realized that a misunderstanding occurred, ATN came to terms with the vendor but did not execute the contract by the deadline. ATN was then notified and is now aware that the TUF stipulate contract award within six months from allocation and that the deadline for contract execution was December 2023.

Therefore, ATN is requesting a 2-month Post-Fact time extension for the period of contract award for the CON phase from December 31, 2023 to February 29, 2024.