

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 19-20, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8b.(4), Action Item

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF CONTRACT AWARD FOR A TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM COMPONENT, PER TIRCP ALLOCATION POLICY WAIVER 26-43**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of contract award for the Transit and Intercity Rail Capital Program (TIRCP) (2022:13) Los Angeles Nextgen and Zero Emission Bus Implementation Project (Purchase 161 40' Zero-Emission Battery Electric Buses) component (PPNO CP104A), in Los Angeles County, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of contract award for the TIRCP (2022:13) Los Angeles Nextgen and Zero Emission Bus Implementation Project (Purchase 161 40' Zero-Emission Battery Electric Buses) component (PPNO CP104A), in Los Angeles County, for the time period as identified in the attachment.

BACKGROUND:

In August 2025, the Commission allocated \$158,438,000 for the Construction phase of the TIRCP (2022:13) Los Angeles Nextgen and Zero Emission Bus Implementation Project (Purchase 161 40' Zero-Emission Battery Electric Buses) component (PPNO CP104A). The implementing agency is unable to award a third-party contract, per the Timely Use of Funds (TUF) policy.

The current TIRCP Allocation Policy stipulates that the agency implementing a project component request a time extension if the contract will not be awarded within the specified

timeline. Under the TUF policy, an extension can be requested for up to 20 months for each delivery milestone, where permissible by statute. The attachment describes the details of the project and the explanation for the delay.

Attachment

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

Project Number: 1
Applicant: Los Angeles County Metropolitan Transportation Authority
County: Los Angeles
District: 7
PPNO: CP104A
Allocation Amount: \$158,438,000
Phase: Construction
Allocation Date: 08/15/2025
Allocation Resolution: TIRCP-2526-10
Number of Months Requested: 12 Months
Extended Deadline: 02/28/2027
Department Recommendation: Support

**(2022:13) Los Angeles Nextgen and Zero Emission Bus Implementation Project
(Purchase 161 40' Zero-Emission Battery Electric Buses)**

The Los Angeles County Metropolitan Transportation Authority (LA Metro) requests a 12-month time extension for the period of contract award for the Construction (CON) phase of the (2022:13) Los Angeles Nextgen and Zero Emission Bus Implementation Project (Purchase 161 40' Zero-Emission Battery Electric Buses) component. LA Metro has experienced delays in awarding the third-party contract for the CON phase of the component.

The project component proposes to procure 161 new 40' zero-emission battery electric buses to help fulfill LA Metro's commitment to transform bus service in Los Angeles County.

LA Metro has been unable to award a third-party contract due to unresolved safety, schedule, and cost issues identified in the proposals received. With regard to safety, manufacturers were unable to meet LA Metro's requirement standards for the enclosed operator compartment and driver exit window. Regarding the schedule, the highest-scoring bid proposal failed to include the delivery schedule or delivery rate that met LA Metro's expectations. As for costs, the highest scoring bid, which was also the highest scoring proposal came in at 7.4 percent higher than LA Metro's Independent Cost Estimate. As a result of these concerns, LA Metro will pursue the purchase of these vehicles through a firm-fixed-price state contract process, which will provide options to procure "off-the-shelf" vehicles that are typically already in production, and could meet LA Metro's requirements and standards. While LA Metro cannot guarantee original equipment manufacturers (OEM) will meet safety requirements of a fully enclosed operator compartment and emergency egress window, two OEM models that recently entered the market will likely offer the opportunity to make final modifications, such as the addition of an operator barrier LA Metro is requesting. Furthermore, LA Metro would not need to undergo the extensive design and pilot bus processes required for larger procurements, and the original project delivery period will not be impacted by this contract award delay. All 161 buses are expected to be delivered by March 2030.

Therefore, LA Metro is requesting a 12-month time extension for the period of contract award for the CON phase from February 28, 2026 to February 28, 2027.