

RESOLUTION 2003-186

AUTHORIZING THE ACQUISITION OF A PURCHASE OPTION MONTGOMERY AREA TRANSIT SYSTEM HAS WITH THOMAS BUILT BUSES, INC. FOR FIFTEEN 30 FOOT LOW FLOOR TRANSIT BUSES, AS SPECIFIED, AND THE PURCHASE OF SPARE PARTS, TOOLING KITS AND TRAINING IN A TOTAL AMOUNT NOT TO EXCEED \$4,000,000.00, AND AUTHORIZING CONTRACT NO. 2003-116 (RTA DEVELOPMENT FUND – FLEET MANAGEMENT DEPARTMENT BUDGET).

WHEREAS, the Authority has identified a need to procure low floor transit buses; and

WHEREAS, the Montgomery Area Transit System, as the result of a competitive process, has entered into a contract with Thomas Built Buses, Inc. located at 6012 High Point Road, Greensboro, NC 27407 for the purchase of diesel-powered low floor transit buses which includes an option for the purchase of additional buses beyond the base amount; and

WHEREAS, the Montgomery Area Transit System (MATS) is willing to transfer its option to purchase 15 low floor transit buses to the Greater Cleveland Regional Transit Authority at a price of \$237,000.00 each, on substantially the same terms and conditions as its contract; and

WHEREAS, Section 7(e) of the Federal Transit Administration's Procurement Regulations (FTA Circular 4220.1E) expressly encourages the acquisition and exercise of such options provided that the purchase is for substantially the same vehicle design as solicited and purchased by the original transit authority, and further provided that the contract price remains fair and reasonable; and

WHEREAS, the Greater Cleveland Regional Transit Authority has requested certain specific additions and deletions to the standard MATS vehicle, which results in a vehicle unit cost of \$239,000.00; and

WHEREAS, the Greater Cleveland Regional Transit Authority is investigating the possibility of leasing the buses under terms and conditions so as not to exceed a vehicle unit cost of \$265,441.00; and

WHEREAS, the Greater Cleveland Regional Transit Authority has requested certain specific spare parts, tooling kits and training from the MATS contract which is valued at \$18,374.00; and

WHEREAS, the General Manager deems the acquisition and exercise of the Montgomery Area Transit System option and the purchase or lease of the 15 low floor transit buses, including spare parts and training at an aggregated price not to exceed \$4,000,000.00, to be advantageous to the Authority and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the General Manager of the Authority be and he is hereby authorized to enter into an agreement with the Montgomery Area Transit System to acquire its option for the purchase of fifteen (15) diesel-powered, 30 foot low floor transit buses including spare parts and training with Thomas Built Buses, Inc., as specified.


Section 2. That the General Manager of the Authority be and he is hereby authorized to enter into a contract with Thomas Built Buses, Inc. in FY2004 for the purchase of fifteen (15) diesel-powered, 30 foot low floor transit buses for a price not to exceed \$239,000.00 per bus, plus \$18,374.00 for spare parts, tooling and training, or to enter into a contract with Thomas Built Buses, Inc. for the purchase of spare parts, tooling and training for \$18,374.00 and enter into a lease with a leasing agency for a price not to exceed \$265,000.00 per bus for fifteen (15) diesel-powered, 30 foot low floor transit buses.

Section 3. That said contract or contract and lease shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to 100% Local Funds at a total amount not to exceed four million and 00/100 dollars (\$4,000,000.00).

Section 4. That said contract or contract and lease shall be binding upon and an obligation of the Authority contingent upon future appropriations; compliance by the contractor to the Specifications and Addenda, thereto, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2003-107; bonding and insurance requirements; and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: December 16, 2003



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Title/Description: AUTHORIZING THE ACQUISITION OF A PURCHASE OPTION MONTGOMERY AREA TRANSIT SYSTEM HAS WITH THOMAS BUILT BUSES, INC. FOR FIFTEEN 30 FOOT LOW FLOOR TRANSIT BUSES, AS SPECIFIED, AND THE PURCHASE OF SPARE PARTS, TOOLING KITS AND TRAINING IN A TOTAL AMOUNT NOT TO EXCEED \$4,000,000.00, AND AUTHORIZING CONTRACT NO. 2003-116 (RTA DEVELOPMENT FUND – FLEET MANAGEMENT DEPARTMENT BUDGET).	Resolution No.: 2003-186
	Date: December 11, 2003
	Initiator: Fleet Management
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to purchase or lease fifteen (15) 30 foot buses to service its community circulator routes. The purchase or lease will be through acquisition of an option from the Montgomery Area Transit System. These buses will replace current community circulator buses which have exceeded their useful life.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The GCRTA has recognized a need to replace existing community circulator buses. The utilization of the Montgomery Area Transit System contract option with Thomas Built Buses, Inc. for fifteen (15) 30 foot low floor transit buses is cost effective because we are able to take advantage of quantity buying and by exercising the option expedite the procurement process to place the vehicles into service. The replacement of 15 buses is part of the GCRTA's bus replacement scheduled.
- 3.0 **PROCUREMENT BACKGROUND:** The Montgomery Area Transit System through a competitive process, awarded a contract to Thomas Built Buses, Inc. for 30 and 35 foot transit buses for its fleet. The contract award contained an option based upon the Montgomery Area Transit System's anticipated future requirements. The Montgomery Area Transit System has subsequently determined that its future needs are less than anticipated, and made the option quantity available to other transit authorities.

The Montgomery Area Transit System (MATS) has made available 15 low floor transit buses from said option for purchase by other transit authorities at a price of \$237,000.00 each, on substantially the same terms and conditions as its contract. GCRTA specific additions and deletions to the standard MATS vehicle results in a vehicle unit cost of \$239,000 for the purchase of 15 low floor transit buses. GCRTA is investigating the possibility of leasing these vehicles which would result in a unit cost not to exceed \$265,441 and a total not to exceed of \$4,000,000.

A price analysis was performed and the Procurement Department has determined the negotiated price to be fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** : All Affirmative Action requirements have been met. The Office of Business Development does not establish goals on Transit Vehicle Manufacturer (TNM) contracts. However, per the FTA regulations, the Office of Business Development has received and reviewed the TVM Certification as well as the 2004 DBE goal submitted to FTA by Daimler-Chrysler (the parent company of Thomas Built Buses, Inc.), as required before contract award.
- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 **ECONOMIC IMPACT:** That said contract shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to 100% Local Funds at a price not to exceed \$4,000,000.00.
- 7.0 **ALTERNATIVES:** Reject all proposals. Rejection of this offer would not allow for replacement of buses that have reached the end of their useful life and may impact servicing the Community Circulator routes.
- 8.0 **RECOMMENDATION:** It is recommended that the offer of Thomas Built Buses, Inc. be accepted and the resolution passed authorizing the General Manager to enter into a contract or contract and lease.
- 9.0 **ATTACHMENTS:** None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer