RESOLUTION NO. 2007-87

RESCINDING RESOLUTION NO. 2006-196 WHICH AUTHORIZED CONTRACT NO. 2006-056 WITH BLUEBIRD COACH WORKS AND AUTHORIZING CONTRACT NO. 2006-056 WITH MOTOR COACH INDUSTRIES, INC. FOR THE PURCHASE OF SIX (6) FORTY-FIVE FOOT COMMUTER COACHES WITH AN OPTION TO PROCURE UP TO EIGHTEEN (18) ADDITIONAL COACHES PER YEAR EXERCISED WITHIN FIVE (5) YEARS OF CONTRACT EXECUTION INCLUDING SPECIAL TOOLING, SPARE PARTS AND VEHICLE MAINTENANCE TRAINING, AT A TOTAL PRICE NOT TO EXCEED \$3,272,262.00 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority has identified the need to have additional commuter coaches available for Park-N-Ride service and to replace commuter coaches that have exceeded their useful life; and

WHEREAS, Resolution No. 2006-196 authorized contract No. 2006-056 to Blue Bird Coach Works, Inc. with an office located at One Wanderlodge Way, GA 31030, for the furnishing of eight (8) forty-five foot (45') commuter coaches with an option to procure up to eighteen (18) additional coaches, per year within five (5) years of contract execution including special tooling, spare parts and vehicle maintenance training; and

WHEREAS, Blue Bird Coach Works, Inc., has made a business decision to discontinue manufacturing the Express 4500 Coach; and

WHEREAS, the General Manager/Secretary-Treasurer deems it in the best interest of the Authority to rescind award of contract 2006-056 to Blue Bird Coach Works, Inc.; and

WHEREAS, Motor Coach Industries, Inc. has offered to furnish six (6) forty-five foot (45') commuter coaches at a total price not to exceed \$3,272,262.00 with an option to procure up to eighteen (18) additional coaches, per year within five (5) years of contract execution including special tooling, spare parts and vehicle maintenance training; and

WHEREAS, the General Manager/Secretary-Treasurer has deemed it in the best interest of the Authority to accept the offer of Motor Coach Industries, Inc. 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 Resolution No. 2006-196 authorizing the award of Contract No. 2006-056 to Blue Bird Coach Works, for the furnishing of eight (8) forty-five foot (45') commuter coaches with an option to procure up to eighteen (18) additional coaches, per year within five (5) years of contract execution including special tooling, spare parts and vehicle maintenance training, is hereby rescinded.

Section 2. That the offer of Motor Coach Industries, Inc. for the furnishing of six (6) forty-five foot (45') commuter coaches with an option to procure up to eighteen (18) additional coaches, per year within five (5) years of contract execution including special tooling, spare parts and vehicle maintenance training; be and the same is hereby accepted.

Section 3. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Motor Coach Industries, Inc., for the furnishing of six (6) forty-five foot (45') commuter coaches with an option to procure up to eighteen (18) additional coaches, per year within five (5) years of contract execution including special tooling, spare parts and vehicle maintenance training.

Section 4. That said contract shall be payable from the RTA Development Fund, Fleet Management Department budget including but not limited to Capital Grant OH-95-X008 at a total price not to exceed \$3,272,262.00 (\$2,617,809.60 in Federal funds which represents 80% of the total cost) contingent upon FTA approval and release of federal funds for the furnishing of six (6) forty-five foot commuter coaches including special tooling, spare parts and vehicle maintenance training with an option to procure up to eighteen (18) additional coaches exercised within five (5) years of contract execution. The vehicle cost will be at a total price not to exceed three million one hundred seventeen thousand six hundred &00/100 dollars (\$3,117,600.00), the vehicle maintenance training will be at a total price not to exceed twenty four hundred & 00/100 dollars (\$2,400.00) and the spare parts and special tooling will be at a total price not to exceed one hundred fifty-two thousand two hundred sixty-two & 00/100 dollars (\$152,262.00).

Section 5. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the Specification and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2007-064; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 6. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Motor Coach Industries will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 7. That this resolution shall become effective immediately upon its adoption.

Adopted: July 24, 2007

CEO, General Manager/Secretary-Treasurer

Form 100-326 07-03-97



Greater Cleveland Regional Transit Authority STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: RESCINDING RESOLUTION NO. 2006-196 WHICH Resolution No.: AUTHORIZED CONTRACT NO. 2006-056 WITH BLUEBIRD COACH 2007-87 WORKS AND AUTHORIZING CONTRACT NO. 2006-056 WITH MOTOR Date: COACH INDUSTRIES, INC. FOR THE PURCHASE OF SIX (6) FORTY-July 19, 2007 FIVE FOOT COMMUTER COACHES WITH AN OPTION TO PROCURE Initiator: UP TO EIGHTEEN (18) ADDITIONAL COACHES PER YEAR Fleet Management EXERCISED WITHIN FIVE (5) YEARS OF CONTRACT EXECUTION Department INCLUDING SPECIAL TOOLING, SPARE PARTS AND VEHICLE MAINTENANCE TRAINING, AT A TOTAL PRICE NOT TO EXCEED \$3,272,262.00 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET) **ACTION REQUEST:** ☐ Review/Comment ☐ Information Only ☐ Other X Approval

- 1.0 PURPOSE/SCOPE: This resolution rescinds Resolution No. 2006-196 authorizing the purchase from Blue Bird Coach Works, Inc. and will allow the Authority to enter into a contract for the purchase of six (6) forty-five foot commuter coaches from Motor Coach Industries, Inc.
- 2.0 DESCRIPTION/JUSTIFICATION: These commuter coaches will ensure adequate vehicles will be available for our Park-N-Ride services and will replace commuter coaches that have exceeded their useful life.
- 3.0 PROCUREMENT BACKGROUND: Resolution No. 2006-196 authorized Contract No. 2006-056 to Blue Bird Coach Works, Inc. located at One Wanderlodge Way, GA 31030, for the purchase of eight (8) forty-five foot commuter coaches with an option to procure up to eighteen (18) additional coaches per year exercised within five (5) years of contract execution, including special tooling, spare parts and vehicle maintenance training. Blue Bird Coach Works, Inc., has notified the Authority they will discontinue manufacture of the Express 4500 Coach. In order for the Authority to ensure adequate coaches are available to support Park-N-Ride service and to replace commuter coaches that have exceeded their useful life, it is in the best interest of the Authority to procure the forty-five foot commuter coach from Motor Coach Industries, Inc., a responsive and responsible proposer.

A market survey was performed by the Procurement Department and the offer of Motor Coach Industries, Inc. has been determined to be fair and reasonable to the Authority.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: The Office of Business Development does not conduct Affirmative Action reviews or set DBE participation goals on procurements from Transit Vehicle Manufacturers per federal regulation.
- 5.0 POLICY IMPACT: Does not apply.

- ECONOMIC IMPACT: This procurement will be funded from the RTA Development Fund, Fleet Management Department budget including but not limited to Capital Grant OH-95-X008, Line Item 11.12.07 for the vehicles (\$3,117,600.00), Line item 11.79.00 for the training (\$2,400.00) and Line item 11.12.40 for the spare parts (\$152,262.00) at a total price not to exceed \$3,272,262.00 (\$2,617,809.60 in Federal funds which represents 80% of the total cost) contingent upon FTA approval and release of federal funds for the furnishing of six (6) forty-five foot commuter coaches including special tooling, spare parts and vehicle maintenance training with an option to procure up to eighteen (18) additional coaches exercised within five (5) years of contract execution. The vehicle cost will be at a total price not to exceed three million one hundred seventeen thousand six hundred & 00/100 dollars (\$3,117,600.00), the vehicle maintenance training will be at a total price not to exceed twenty four hundred & 00/100 dollars (\$2,400.00) and the spare parts and special tooling will be at a total price not to exceed one hundred fifty-two thousand two hundred sixty-two & 00/100 dollars (\$152,262.00).
- 7.0 ALTERNATIVES: <u>Reject this offer</u>. Rejection of this offer would cause delays in the procurement of replacement vehicles and impact service quality.
- 8.0 RECOMMENDATION: This procurement was reviewed by the Board of Trustees Operations Committee at their July 10, 2007 meeting and recommended for approval to the Board of Trustees. It is recommended that the offer of Motor Coach Industries, Inc., be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: None

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

©EO, General Manager/Secretary-Treasurer