

RESOLUTION NO. 2009-61

AUTHORIZING THE EXERCISE OF AN OPTION TO CONTRACT 2006-056 WITH MOTOR COACH INDUSTRIES, INC. FOR THE FURNISHING OF SIX (6) 45 FT. COMMUTER COACHES, AS SPECIFIED, IN AN AMOUNT NOT TO EXCEED \$3,379,922.00 INCREASING THE TOTAL CONTRACT TO AN AMOUNT NOT TO EXCEED \$6,652,183.00 (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, through a negotiated procurement, a contract was entered into with Motor Coach Industries, Inc., with offices located at 1700 East Golf Road, Suite 300, Schaumburg, IL 60137, to furnish 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; and

WHEREAS, commuter coach pricing resulting in an amount not to exceed five hundred thirty thousand four hundred thirty-eight & 00/100 dollars (\$530,438.00) each for the option coaches was agreed upon; and

WHEREAS, said option will exceed the General Manager/Secretary-Treasurer's purchase authority; and

WHEREAS, the General Manager/Secretary-Treasurer deems exercising the option to be advantageous to the Authority and recommends acceptance 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 offer of Motor Coach Industries, Inc., to furnish six (6) forty-five foot (45') commuter coaches including special tooling, spare parts and vehicle maintenance training, as specified, is hereby accepted as the most advantageous to the Authority.


Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to amend Contract 2006-056 with Motor Coach Industries, Inc. to exercise the option to furnish six (6) forty-five foot (45') commuter coaches and to purchase special tooling, spare parts and vehicle maintenance training.

Section 3. That said contract shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to NOACA CMAQ funding in an amount not to exceed \$3,182,628.00 for the six (6) coaches and future grant funding in an amount not to exceed \$197,294.00 for spare parts, tooling and training for a total contract amount not to exceed \$3,379,922.00 (\$2,703,937.60 in Federal funds which represents 80% of the total cost). This contract is contingent upon FTA approval of grant funds.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2009-23; 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: July 28, 2009



President

Attest:



CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: SIX (6) 45 FT. COMMUTER COACHES VENDOR: MOTOR COACH INDUSTRIES, INC. AMOUNT: \$3,379,922.00	Resolution No.: 2009-61
	Date: July 23, 2009
	Initiator: Fleet Management Department
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 exercise the option to procure six (6) forty-five foot (45') commuter coaches with Motor Coach Industries Inc., as specified.

- 2.0 **DESCRIPTION/JUSTIFICATION:** These commuter coaches will replace (6)1997 Nova Diesel Suburban buses which have exceeded their useful life in accordance with the Authority's vehicle replacement policy and guidelines. The procurement of these commuter coaches will ensure adequate vehicles will be available for the Authority's Park-N-Ride services.

- 3.0 **PROCUREMENT BACKGROUND:** Resolution No. 2007-087 authorized Contract No. 2006-056 with Motor Coach Industries, Inc., 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. This resolution requests the Authority to exercise the option. Since the total contract amount will exceed the General Manager/Secretary-Treasurer signature authority, Board authorization is required. Each coach will cost \$530,438.00 for a total amount not to exceed \$3,182,628.00 for six (6) vehicles. Spare parts, training and tooling will be in an amount not to exceed \$197,294.00 for a total option amount not to exceed \$3,379,922.00.

 A price analysis has been performed and the Procurement Department has determined that the negotiated option pricing for the commuter coach is fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. In accordance with Federal regulations, the Office of Business Development does not establish goals on Transit Vehicle Manufacturer (TVM) contracts. As required, OBD has received and reviewed Motor Coach Industries Certification and 2009 DBE Goal submitted to FTA.

- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 ECONOMIC IMPACT: This option will be funded from the RTA Development Fund, Fleet Management Department budget, including but not limited to NOACA CMAQ funding, line item 11.12.07 in an amount not to exceed \$3,182,628.00 for the six (6) coaches and future grant funding in an amount not to exceed \$197,294.00 for the spare parts, tooling and training for a total contract amount not to exceed \$3,379,922.00 (\$2,703,937.60 in Federal funds which represents 80% of the total cost). This contract is contingent upon FTA approval of grant funds.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would cause delays in the procurement of replacement vehicles and impact service quality.
- 8.0 RECOMMENDATION: It is recommended that the option with Motor Coach Industries, Inc. be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to amend the contract.
- 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