

RESOLUTION NO. 2014-64

AUTHORIZING THE GENERAL MANAGER/SECRETARY-TREASURER TO EXERCISE THE OPTION IN CONTRACT NO. 2013-102 TO LEASE UP TO 25 ADDITIONAL NON-REVENUE VEHICLES WITH ENTERPRISE FLEET MANAGEMENT, AS SPECIFIED, FOR A PERIOD OF UP TO FIVE YEARS IN AN AMOUNT NOT TO EXCEED \$635,924.08 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$1,825,176.48 (RTA CAPITAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority from time to time must replace its non-revenue vehicles which are determined non-economical and costly to operate; and

WHEREAS, Contract No. 2013-102 provided an option to lease additional vehicles from the Enterprise Fleet Management located at 8249 Mohawk Drive, Strongsville, Ohio 44136; and

WHEREAS, it has been determined to be cost effective to exercise an option to lease 25 vehicles at a total cost not to exceed \$635,924.08, as specified and as required, for a period up to five years; and

WHEREAS, the General Manager/Secretary-Treasurer deems it in the best interest of the Authority to exercise the option.

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/Secretary-Treasurer of the Authority be and he is hereby authorized to exercise the Option contained in Contract No. 2013-102 with Enterprise Fleet Management to provide up to 25 additional vehicles for a period of up to five years be and the same is hereby accepted.


Section 2. This action will enable the Authority to further utilize leasing services to enhance the functionality and efficiency of the Authority's non-revenue vehicles. The leasing services will be funded through the RTA Capital Fund, Fleet Management Routine Capital budget at a total cost not to exceed \$635,924.08. This action will result in a total contract value of \$1,825,176.48.

Section 4. That said option shall be binding upon and an obligation of the Authority contingent upon funding for future years, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2013-036; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That all other terms and conditions of said contract shall remain unchanged.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: August 19, 2014



President

Attest: 

CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: OPTION TO LEASE 25 ADDITIONAL NON-REVENUE VEHICLES VENDOR: ENTERPRISE FLEET MANAGEMENT AMOUNT: \$635,924.08	Resolution No.: 2014-64
	Date: August 14, 2014
	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 requests authorization for the General Manager/Secretary-Treasurer to exercise the option in Contract No. 2013-102 to lease 25 additional non-revenue vehicles.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has approximately 220 non-revenue vehicles it uses to support operations and maintain the facilities and grounds of the Authority. These non-revenue vehicles are comprised of a variety of makes and models ranging from Jeeps, Mini-Vans, SUV's, Sedans, Pick-Up Trucks, Transit Police vehicles and a wide range of specialty trucks. The average age of the non-revenue fleet is 10.4 years. The present fleet of non-revenue vehicles is costly to operate and should be replaced with more functional fuel-efficient vehicles that better meet the needs of the using department.

- 3.0 **PROCUREMENT BACKGROUND:** Resolution No. 2013-075 authorized Contract 2013-102 to Enterprise Fleet Management to provide leasing services for certain non-revenue vehicles, as specified and as required for a period of up to 5 years in an amount not to exceed \$1,173,482.40. The General Manager's change order to date total is \$15,770.00. The Contract provided an Option to lease up to 50 additional non-revenue vehicles to be exercised within twelve months after contract award. This Resolution requests authorization for the General Manager/Secretary-Treasurer to exercise the Option to lease up to 25 additional non-revenue vehicles, as specified over a sixty month contract period at a not to exceed amount of \$635,924.08, for a total contract amount of \$1,825,176.48. See the attachment for the model and lease cost of the vehicles that would be purchased under the Option.


 A price analysis was performed by the Procurement Department and it has been determined that the price is fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.

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

- 6.0 ECONOMIC IMPACT: This option will be funded through the RTA Capital Fund, Fleet Management Routine Capital budget in an amount not to exceed \$635,924.08 for a total contract amount not to exceed \$1,825,176.48
- 7.0 ALTERNATIVES: Reject this agreement. Rejection of this resolution will impair the Authorities ability to replace its non-revenue vehicles and potentially disrupt service.
- 8.0 RECOMMENDATION: It is recommended that the offer from Enterprise Fleet Management be accepted and a resolution passed authorizing the General Manager/Secretary-Treasurer to exercise the option.
- 9.0 ATTACHMENTS: Proposed Non-Revenue Lease Summary

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



CEO, General Manager/Secretary-Treasurer

Proposed Non-Revenue Lease Summary
(subject to change)

		Open Ended Lease												
Vehicle Type	Monthly Depreciation %	Term	x	Mo. Payment	=	Total			+ Balance	=	Extended		Total Cost	
						Payment	+ Charges	+ Other			Cost	x Qty		
Vehicle # 1D Ford Focus	1.50%	60	x	\$243.81	=	\$14,628.60	+	\$350.00	+	\$1,325.05	=	\$16,303.65	x 6	\$97,821.90
Vehicle # 1E Ford Fusion	1.50%	60	x	\$320.20	=	\$19,212.00	+	\$350.00	+	\$1,742.45	=	\$21,304.45	x 5	\$106,522.25
Vehicle # 1F Jeep Patriot	1.50%	60	x	\$324.79	=	\$19,487.40	+	\$350.00	+	\$1,767.85	=	\$21,605.25	x 1	\$21,605.25
Vehicle # 1G no aftermarket Explorer	1.50%	60	x	\$497.46	=	\$29,847.60	+	\$350.00	+	\$2,711.45	=	\$32,909.05	x 2	\$65,818.10
Vehicle # 1G (spec D) F250	1.50%	60	x	\$514.18	=	\$30,850.80	+	\$350.00	+	\$2,802.45	=	\$34,003.25	x 1	\$34,003.25
Vehicle # 1J F250	1.50%	60	x	\$437.39	=	\$26,243.40	+	\$350.00	+	\$2,317.85	=	\$28,911.25	x 1	\$28,911.25
Vehicle # 1M Chevy Express	1.50%	60	x	\$472.79	=	\$28,367.40	+	\$350.00	+	\$2,531.72	=	\$31,249.12	x 9	\$281,242.08