

RESOLUTION NO. 2014-111

AUTHORIZING A CHANGE ORDER TO CONTRACT NO. 2013-100 WITH GILLIG, LLC, FOR THE PURCHASE AND DELIVERY OF UP TO THIRTY (30) 40-FT. LOW FLOOR CNG COACHES, TRAINING, SPECIAL TOOLS AND SPARE PARTS, AS SPECIFIED, FOR A PRICE NOT TO EXCEED \$14,047,809.40 (RTA DEVELOPMENT FUND AND FUTURE FUNDING, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority has identified the need to replace revenue vehicles that have exceeded their useful life with similar environmental friendly fuel efficient vehicles; and

WHEREAS, Resolution 2013-110 authorized Contract 2013-100 with Gillig, LLC, for the manufacture and delivery of up to two hundred forty (240) 40-ft. low-floor CNG coaches, training, special tools and spare parts over the five (5) year term of the contract at a total contract amount not to exceed \$28,951,898.00; and

WHEREAS, Gillig, LLC, with offices located at 25800 Clawiter Road, Haywood, CA 94545, has offered to manufacture and deliver up to thirty (30) 40-ft. low floor CNG transit coaches, training, special tools, and spare parts as specified for a total negotiated contract amount not to exceed \$14,047,809.40; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Gillig, LLC as negotiated, to be advantageous to the Authority, cost and other factors considered, 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 offer of Gillig, LLC to provide up to an additional thirty (30) 40-ft. CNG powered transit coaches, training, special tools and spare parts be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to issue a change order to contract 2013-100 with Gillig, LLC to provide up to (30) 40-ft. CNG coaches totaling \$13,767,809.40; spare parts and tooling in an amount not to exceed \$255,000.00; and manuals and training in an amount not to exceed \$25,000.00 for a total change order amount not to exceed \$14,047,809.40 for a total contract amount not to exceed \$43,023,594.00.

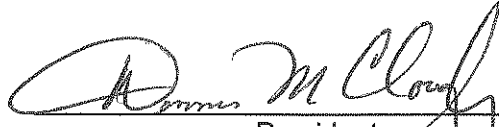
Section 3. That this change order shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to Capital Grant OH-95-X122 in an amount not to exceed \$13,767,809.40 for (30) 40-ft. CNG coaches, Capital Grant OH-90-X782 in an amount not to exceed \$255,000.00 for the total cost of Spare Parts and Local Funds in an amount not to exceed \$25,000.00 for the total cost of manuals and training for a total amount not to exceed \$14,047,809.40. .

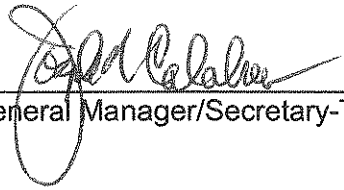
Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2013-031; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That all terms and conditions of the original contract remain unchanged.

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

Adopted: October 21, 2014

  
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President

Attest:   
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CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> AUTHORIZING THE PURCHASE OF UP TO THIRTY (30) 40-FT. LOW FLOOR CNG COACHES, TRAINING, SPECIAL TOOLS AND SPARE PARTS  <b>VENDOR:</b> GILLIG, LLC  <b>AMOUNT:</b> NOT TO EXCEED \$14,047,809.40	<b>Resolution No.:</b> 2014-111
	<b>Date:</b> October 16, 2014
	<b>Initiator:</b> Fleet Management Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This resolution will authorize the funding for the procurement of up to 30 of the remaining 180, low-floor CNG coaches, which was approved by the Board of Trustees in Resolution 2013-110.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority intends to replace some of its fleet of 40 ft. low floor NABI coaches with similar coaches. The Authority will have 226 NABI coaches that will have exceeded the 12 year life cycle when these coaches are delivered. The older NABI coaches with the Detroit Diesel Series 50 engines have been costly to operate and maintain. The Authority intends to replace the older NABI's that are inefficient and have costly diesel engines with fuel efficient Cummins CNG power systems.
  
- 3.0 **PROCUREMENT BACKGROUND:** Resolution No. 2013-110 authorized Contract No. 2013-100 with Gillig, LLC for the manufacture and delivery of up to two hundred forty (240) 40-ft. low-floor CNG coaches, training, special tools and spare parts over the five (5) year term of the contract. The unit cost of the base sixty (60) CNG coaches was \$457,335.00 with a delivery scheduled for March 15, 2015. This change order will authorize the funding to manufacture and deliver thirty (30) additional 40 ft. CNG coaches at a unit cost of \$458,926.98 for scheduled delivery on December 15, 2016. This cost represents a .003481% or \$1,591.98 price increase per coach. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. The procurement will include thirty (30) 40-ft. CNG coaches totaling \$13,767,809.40; spare parts and tooling for a not to exceed amount of \$255,000; and manuals and training for a not to exceed amount of \$25,000.00 for a total contract change order amount not to exceed \$14,047,809.40. This procurement will result in 150 coaches remaining available under the contract.

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

Contract award is contingent upon the successful review of all costs associated with this procurement, compliance with Pre-Award/Buy America Audit requirements and Federal Transit Administration approval of applicable grants.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: Per Federal Regulations, the Office of Business Development does not conduct Affirmative Action reviews or establish goals on procurements involving the purchase of Transit Motor Vehicles (TVM's).
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This change order shall be payable from the RTA Development Fund, Fleet Management Department Budget, including but not limited to Capital Grant OH-95-X122, Line Items 11.12.01 in an amount not to exceed \$11,014,247.52 (\$8,811,398.00 in Federal Funds which represents 80% of the total cost for (24) 40-ft CNG coaches), Capital Grant OH-95-X122, Line Item 11.12.01 OTPPP in an amount not to exceed \$2,753,561.88 (\$2,478,205.69 in Federal Funds which is 90% of the total cost for (6) 40-ft. CNG coaches), Capital Grant OH-90-X782, Line Item 11.12.40 in an amount not to exceed \$255,000.00 (\$204,000.00 in Federal Funds which is 80% of the total cost of Spare Parts), and Local Funds in an amount not to exceed \$25,000.00 which is 100% of the total cost of training/manuals, with the total amount for (30) 40-ft. CNG coaches not to exceed \$14,047,809.40.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would delay the ability of the Authority to purchase replacement buses.
- 8.0 RECOMMENDATION: It is recommended that the negotiated offer of Gillig, LLC, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS:

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

  
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CEO, General Manager/Secretary-Treasurer