

RESOLUTION NO. 2016-104

AUTHORIZING THE EXERCISE OF AN OPTION UNDER CONTRACT 2013-100 WITH GILLIG, LLC, FOR THE PURCHASE AND DELIVERY OF UP TO THREE (3), 40-FT. LOW FLOOR CNG COACHES, AS SPECIFIED, FOR A PRICE NOT TO EXCEED \$1,418,991.54 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

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

WHEREAS, Resolution 2013-110 authorized Contract No. 2013-100 with Gillig, LLC, for the manufacture and delivery of up to 240, 40-ft. low-floor CNG coaches plus training, special tools and spare parts and the funding for the purchase of 60 coaches for delivery in 2015, with an option to procure up to an additional 180 coaches plus training, special tools and spare parts over the five year term of the contract, at a total contract amount not to exceed \$28,951,898.00; and

WHEREAS, Resolution 2014-111 authorized funding for the purchase and delivery of up to 30, 40-ft. low floor CNG coaches plus training, special tools and spare parts at a price not to exceed \$14,047,809.40; and

WHEREAS, Resolution 2015-66 authorized funding for the purchase and delivery of up to 16, 40-ft. low floor CNG coaches plus training, special tools and spare parts at a price not to exceed \$7,721,511.64; and

WHEREAS, Resolution 2016-43 authorized funding for the purchase and delivery of up to 24, 40-ft. low floor CNG coaches plus training, special tools and spare parts at a price not to exceed \$11,528,147.43; and

WHEREAS, Gillig, LLC, with offices located at 25800 Clawiter Road, Haywood, CA 94545, has offered to manufacture and deliver an additional three (3) 40-ft. low floor CNG coaches, as specified, at the same unit price of \$472,997.18 per coach, for a total negotiated contract amount not to exceed \$1,418,991.54; and

WHEREAS, the CEO, 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 three (3), 40-ft. low-floor CNG coaches, be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to exercise an option to Contract No. 2013-100 with Gillig, LLC to provide funding for the purchase of up to three (3), 40-ft. low floor CNG coaches for a total change order amount not to exceed \$1,418,991.54.

Section 3. That this contract option shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to, pending Urban Transit Program (UTP) grant award in an amount not to exceed \$1,418,991.54 (\$1,135,193.23 in Federal Funds which is 80% of the cost of three (3) 40-FT CNG coaches).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years and compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2015-076; 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: November 15, 2016



President

Attest:



CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: AUTHORIZING THE PURCHASE OF UP TO THREE 40-FT., LOW FLOOR CNG COACHES VENDOR: GILLIG, LLC AMOUNT: NOT TO EXCEED \$1,418,991.54	Resolution No.: 2016-104
	Date: November 10, 2016
	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 _____	

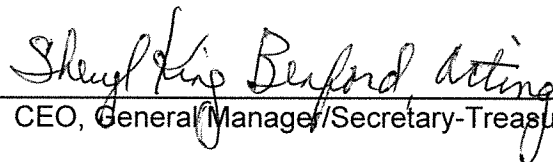
- 1.0 **PURPOSE/SCOPE:** This action will authorize the funding to exercise the option for the procurement of up to three (3) of the remaining 110, 40-ft low-floor CNG coaches, which was approved by the Board of Trustees in Resolution No. 2013-110, adopted November 19, 2013.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority intends to replace some of its fleet of 40-ft. low floor NABI coaches with similar coaches. The Authority presently has 218 NABI coaches over 12 years old and 98 NABI coaches over 10 years old. The older NABI coaches, with Detroit Diesel Series 50 engines, have been costly to operate and maintain. The Authority intends to replace the older NABI's with Detroit Diesel Series 50 engines with coaches with fuel-efficient Cummins CNG powered systems.
- 3.0 **PROCUREMENT BACKGROUND:** In November 2013, the Authority awarded Contract No. 2013-100 to Gillig, LLC for the manufacture and delivery of up to 60, 40-ft. low-floor CNG coaches plus training, special tools and spare parts with an option to procure up to an additional 180 coaches plus training, special tools and spare parts over the five year term of the contract through the use of the competitive RFP process. Resolution No. 2013-110 authorized the contract and funding of the initial purchase of 60 coaches. During the first three years of the five year term of the contract, four contract options totaling \$33,416,538.47 have been authorized. Resolution No. 2014-111, authorized Option No.1 to fund the purchase of up to 30 CNG buses. The CEO, General Manager/Secretary-Treasurer authorized Option No. 2 to fund the purchase of video monitors. Resolution No. 2015-66, authorized Option No. 3 to fund the purchase of up to 16 CNG buses. Resolution No. 2016-43, authorized Option No. 4 to fund the purchase of up to 24 CNG buses, leaving 110 buses remaining under the option.

This resolution will authorize the funding to manufacture and deliver three (3) additional 40-ft. CNG coaches at a unit cost of \$472,997.18, with a scheduled delivery completion date of January 31, 2018. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in 107 coaches remaining under the option.

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 option 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 (TMV's).
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This contract option shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to, the pending Urban Transit Program (UTP) grant award in an amount not to exceed \$1,418,991.54 (\$1,135,193.23 in Federal funds which is 80% of the cost of three, 40-FT CNG coaches).
- 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 CEO, General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENT: Approved Option Log.

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



CEO, General Manager/Secretary-Treasurer

APPROVED OPTION LOG

CONTRACT NO. 2013-100

(Manufacture and Delivery of Up to 60, 40-ft. CNG Coaches, Training and Spare Parts with an Option to Procure Up to an Additional 180 Coaches/Training/Spare Parts Over Five Year Term of the Contract)

Contract # **2013-100**

Contractor **Gillig LLC**

Original Contract Amount **\$28,951,898.00** Total G.M. Authority Remaining **\$380,930.00**

Total Amount Exercised To Date; **\$33,416,538.47**

ITEM NO.	NOTE No.	APPROVAL DATE	OPTION AMOUNT	APPROVAL AUTHORITY	NEW CONTRACT AMOUNT
1		10/21/2014	\$14,047,809.40	BOARD	\$42,999,707.40
2		2/6/2015	\$119,070.00	GM	\$43,118,777.40
3		7/28/2015	\$7,721,511.64	BOARD	\$50,840,289.04
4		6/14/2016	\$11,528,147.43	BOARD	\$62,368,436.47
5			\$1,418,991.54	BOARD	\$63,787,428.01

NOTES/OPTION DESCRIPTION:

Item No. 1 Authorizes Funding for 30 Buses/Training/Spares

Item No. 2 Authorizes Funding for Monitors in 90 Coaches

Item No. 3 Authorizes Funding for 16 Buses/Training/Tooling/Spare Parts

Item No. 4 Authorizes Funding for 24 Buses/Training/Tooling/Spare Parts

Item No. 5 Authorizes Funding for 3 Buses

TP