

RESOLUTION NO. 2017-44

AUTHORIZING FUNDING TO EXERCISE THE OPTION UNDER CONTRACT NO. 2012-091 WITH MYERS EQUIPMENT CORPORATION FOR THE PURCHASE OF UP TO THIRTY (30) ADDITIONAL LIGHT DUTY TRANSIT VEHICLES, AS SPECIFIED, FOR A PRICE NOT TO EXCEED \$2,225,700.00 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority identified the need for an additional 30 light duty transit vehicles to replace similar vehicles that have exceeded their useful life; and

WHEREAS, Resolution 2013-004 authorized Contract No. 2012-091 with Myers Equipment Corp., for the purchase of 10 light duty transit vehicles, as specified, in an amount not to exceed \$922,000.00, with an option to procure up to 80 additional vehicles within five years of contract signature; and

WHEREAS, in May 2013, the CEO, General Manager/Secretary-Treasurer authorized Change Order No. 1 in an amount of \$8,000.00 for the purchase and installation of Decel Lights for the base order of 10 light duty transit vehicles; and

WHEREAS, Resolution 2013-032 authorized funding for the purchase and delivery of up to 10 additional light duty transit vehicles at a total contract amount not to exceed \$877,360.00; and

WHEREAS, Myers Equipment Corp., located at 8860 Akron-Canfield Road, Canfield, OH 44406, has offered to manufacture and deliver an additional 30 light duty transit vehicles, as specified, at a unit price \$74,190.00, for a total negotiated contract price not to exceed \$2,225,700.00; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the offer of Myers Equipment Corp., 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 Myers Equipment Corp. to furnish an additional 30 light duty transit vehicles, as specified, 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 in Contract 2012-091 with Myers Equipment Corp. for the purchase of an additional 30 light duty transit vehicles, as specified, for a total change order amount not to exceed \$2,225,700.00.

Section 3. That said contract option shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to, Grant OH-09-X809 in an amount not to exceed \$741,900.00, and pending Grant OH-2017-029 in the amount of \$1,483,800.00, for a total contract amount not to exceed \$2,225,700.00 (\$1,780,560.00 in Federal funds which is 80% of the total cost). This resolution is contingent upon FTA approval of pending Section 5310 grant award.

Section 4. That said contract option 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 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: July 18, 2017



President

Attest: 

CEO, General Manager/Secretary-Treasurer



| | |
|---|--|
| TITLE/DESCRIPTION: CONTRACT: AUTHORIZING FUNDING TO EXERCISE THE OPTION TO PURCHASE UP TO THIRTY (30) LIGHT DUTY TRANSIT VEHICLES, AS SPECIFIED VENDOR: MYERS EQUIPMENT CORPORATION AMOUNT: NOT TO EXCEED \$2,225,700.00 | Resolution No.: 2017-44 |
| | Date: July 13, 2017 |
| | 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 to procure up to 30 of the remaining 70 light duty transit vehicles.

- 2.0 **DESCRIPTION/JUSTIFICATION:** These light duty transit vehicles will be used by the Authority's Paratransit District. The 30 vehicles purchased under authority of this Resolution will replace the GCRTA's 7300 fleet. The 7300 fleet vehicles were purchased in 2009 and have exceeded their useful life in age and/or mileage in accordance with the Authority's vehicle replacement policy and guidelines.

- 3.0 **PROCUREMENT BACKGROUND:** Resolution No. 2013-004 authorized Contract 2012-091 with Myers Equipment Corporation for the purchase of up to 10 light duty transit vehicles, as specified, at a total price not to exceed \$922,000.00, with an option to procure up to 80 additional vehicles within five years of contract signature. On May 8, 2013, the CEO, General Manager/Secretary-Treasurer authorized a change order that added the installation of wiring and electrical components to the initial purchase of 10 vehicles for a not to exceed price of \$8,000.00. On May 14, 2013 the Board authorized Resolution 2013-032 for the purchase of up to 10 light duty propane transit vehicles, as specified, at a total purchase price not to exceed \$877,360.00.

 This resolution will authorize the funding to exercise the option to purchase up to 30 light duty transit vehicles at a unit price of \$74,190.00. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in 40 vehicles remaining under the option.

 A cost and price analysis was performed by the Procurement Department and it has been determined that the price is fair and reasonable to the Authority. The exercise of the option authorized by this Resolution is contingent upon the successful review of all costs associated with this procurement and compliance with Pre-Award/Buy America Audit requirements.

- 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, Grant OH-90-X809 in an amount not to exceed \$741,900.00 and pending Grant OH-2017-029 in the amount of \$1,483,800.00, for a total contract amount not to exceed \$2,225,700.00 (\$1,780,560.00 in Federal funds which is 80% of the total cost). This resolution is contingent upon FTA approval of pending Section 5310 grant award.
- 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 the resolution is passed authorizing the CEO, General Manager/Secretary-Treasurer to be exercise the option to procure up to 30 of the 70 light duty transit vehicles remaining under the contract.
- 9.0 **ATTACHMENT:** Change Order Log

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



CEO, General Manager/Secretary-Treasurer

CHANGE ORDER LOG

Contract NO. 2012-091

Furnishing of Light Duty Transit Vehicles with an option to purchase up to 80 additional vehicles within five years of contract signature

Contract # **2012-091**

Contractor: **Myers Equipment, Inc.**

Original Contract Amount **\$ 869,360.00**

Total G.M. Authority Remaining **\$92,000.00**

Total Change Order Amount To Date **\$885,360.00**

| <i>ITEM NO.</i> | <i>NOTE No.</i> | <i>APPROVAL DATE</i> | <i>CHANGE ORDER AMOUNT</i> | <i>APPROVAL AUTHORITY</i> | <i>NEW CONTRACT AMOUNT</i> |
|-----------------|-----------------|----------------------|----------------------------|---------------------------|----------------------------|
| 1 | | May 8, 2013 | \$8,000.00 | GM | \$877,360.00 |
| 2 | | May 14, 2013 | \$ 877,360.00 | Board | \$1,754,720.00 |
| 3 | | | \$2,225,700.00 | Board | \$3,980,420.00 |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

NOTES/CHANGE ORDER DESCRIPTION:

- 1. Adds harness for decel lights
- 2. Purchase of 10 Propane Light Duty Transit Vehicles
- 3. Purchase of 30 Gasoline Light Duty Transit Vehicles