

RESOLUTION NO. 2017-94

AUTHORIZING THE EXERCISE OF AN OPTION UNDER CONTRACT 2013-100 WITH GILLIG, LLC, FOR THE PURCHASE AND DELIVERY OF UP TO THIRTY-THREE (33), 40-FT., LOW FLOOR CNG COACHES, AS SPECIFIED, FOR A PRICE NOT TO EXCEED \$16,156,919.61 (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 No. 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 No. 2014-111 authorized funding for the purchase and delivery of up to thirty (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 No. 2015-66 authorized funding for the purchase and delivery of up to sixteen (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, adopted by the Board of Trustees on June 16, 2016, authorized funding for the purchase and delivery of 24, 40-ft. low floor CNG coaches plus training, special tools and spare parts at a price not to exceed \$11,528,147.51; and

WHEREAS, Resolution 2016-104, adopted by the Board of Trustees on November 15, 2016, authorized funding for the purchase and delivery of 3, 40 ft. low floor CNG coaches at a price not to exceed \$1,418,991.54; and

WHEREAS, Resolution No. 2017-06 rescinded Resolution Nos. 2016-43 and 2016-104 and authorized funding for the purchase and delivery of up to twenty-nine (29), 40-ft. low floor diesel coaches plus training, special tools and spare parts at a price not to exceed \$12,707,960.75; and

WHEREAS, Gillig, LLC, with offices located at 25800 Clawiter Road, Haywood, CA 94545, has offered to manufacture and deliver an additional thirty-three (33), 40-ft., low floor, CNG coaches, plus training and spare parts for a total negotiated contract amount not to exceed \$16,156,919.61; 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 thirty-three (33), 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 thirty-three (33), 40-ft., low floor, CNG coaches plus special tools and spare parts for a total change order amount not to exceed \$16,156,919.61

Section 3. This contract option shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to FTA Capital Grant OH-90-X782, in an amount of \$967,113.86, FTA Capital Grant OH-2016-040, in an amount of \$2,656,836.00, FTA Capital Grant OH-2016-054, in an amount of \$4,835,568.80, pending FFY 2017 Urban Formula Award, in an amount of \$1,934,227.52, pending FFY 2017 5339 Award OH-2016-042, in an amount of \$2,323,130.00, pending DERG Award, in an amount of \$2,890,272.84 and 100% Local Funds in the amount of \$350,228.12. Spare parts and tooling shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to FTA Capital Grant OH-90-X782, in an amount of \$199,542.57 with the total amount for 33, 40-ft CNG coaches and associated spare parts not to exceed \$16,156,919.61 (\$12,327,423.19 in Federal Funds which is 76.3% of the order). This resolution is contingent upon FTA approval of pending grant awards and pending grant revisions.

Section 4. That all terms and conditions of the original contract remain unchanged.


Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: November 21, 2017



President

Attest: _____


CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING THE PURCHASE OF UP TO THIRTY-THREE (33) 40-FT., LOW FLOOR CNG COACHES VENDOR: GILLIG, LLC AMOUNT: NOT TO EXCEED \$16,156,919.61	Resolution No.: 2017-94
	Date: November 16, 2017
	Initiator: Fleet Management
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 thirty-three (33) of the remaining 105, 40-ft. low floor, CNG coach options on Contract No. 2013-100. The options were 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 128 NABI coaches over 12 years old and 98 NABI coaches over 11 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 that have Detroit Diesel Series 50 engines with Gillig coaches that have 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 four years of the five year term of the contract, four contract options totaling \$34,596,351.79 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. 2017-06, authorized Option No. 6 rescinding Options 4 & 5 and funding the purchase of up to 29 diesel buses, leaving 105 buses remaining under the option.

This resolution will authorize the funding to manufacture and deliver thirty-three (33) additional 40-ft., low-floor, CNG coaches at a unit price of \$483,556.88, with a scheduled delivery completion date of December 31, 2018. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in 72 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 FTA Capital Grant OH-90-X782, in an amount of \$967,113.86, FTA Capital Grant OH-2016-040, in an amount of \$2,656,836.00, FTA Capital Grant OH-2016-054, in an amount of \$4,835,568.80, pending FFY 2017 Urban Formula Award, in an amount of \$1,934,227.52, pending FFY 2017 5339 Award OH-2016-042, in an amount of \$2,323,130.00, pending DERG Award, in an amount of \$2,890,272.84 and 100% Local Funds in the amount of \$350,228.12. Spare parts and tooling shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to FTA Capital Grant OH-90-X782, in an amount of \$199,542.57, with the total amount for 33, 40-ft CNG coaches and associated spare parts not to exceed \$16,156,919.61 (\$12,327,423.19 in Federal Funds which is 76.3% of the order). This resolution is contingent upon FTA approval of pending grant awards and pending grant revisions.
- 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; **\$34,596,351.79**

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		11/15/2016	\$1,418,991.54	BOARD	\$63,787,428.01
6		1/24/2017	\$12,707,960.75	BOARD	\$63,548,429.83
7			\$16,156,919.61	BOARD	\$79,705,349.44

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 Rescinded - Authorizes Funding for 24 Buses/Training/Tooling/Spare Parts

Item No. 5 Rescinded - Authorizes Funding for 3 Buses

Item No. 6 Authorizes Funding for 29 Buses and rescinding Options 4 & 5

TP