

RESOLUTION NO. 2021-100

AUTHORIZING A CHANGE ORDER TO EXERCISE AN OPTION UNDER CONTRACT 2020-071 WITH GILLIG, LLC FOR THE PURCHASE AND DELIVERY OF UP TO 20, 40-FT. LOW FLOOR CNG COACHES, AS SPECIFIED, FOR A PRICE NOT TO EXCEED \$11,211,397.40 (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. 2021-022 authorized Contract No. 2020-071 with Gillig, LLC, for the manufacture and delivery of up to 100, 40-ft., CNG coaches, spare parts, tooling and training and the funding for the purchase of 20 coaches for delivery in 2021, with an option to procure up to an additional 80 coaches spare parts, tooling and training over the five year term of the contract, at a total amount not to exceed \$11,052,060.00; and

WHEREAS, pursuant to the original options under the Contract, Gillig, LLC, located at 451 Discovery Drive, Livermore, CA 94551, has offered to manufacture and deliver 20, 40-ft. low floor CNG coaches, as specified, for a total negotiated contract amount not to exceed \$11,211,397.40; and

WHEREAS, the General Manager, Chief Executive Officer 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 20, 40-ft., low floor CNG coaches, be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer be and she is hereby authorized to enter into a change order for the exercise of an option to Contract No. 2020-071 with Gillig, LLC to provide funding for the purchase of up to 20, 40-ft low floor CNG coaches, for a total change order amount not to exceed \$11,211,397.40.

Section 3. This contract option shall be funded through the RTA Development Fund, Fleet Management Department budget, including but not limited to Capital Grants OH-2018-008, OH-2017-027, OH-2019-037-339, and OH-2020-044-339 in an amount not to exceed \$11,211,397.40 (\$8,969,117.92 in federal funds which represents 80% of the total cost).

Section 4. That said contract 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, thereto, if any; the Affirmative Action Plan adopted by the Board of Trustees; 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 16, 2021



President

Attest: 

Secretary/Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING A CHANGE ORDER TO EXERCISE AN OPTION TO PURCHASE UP TO 20, 40-FT. LOW FLOOR CNG COACHES VENDOR: GILLIG, LLC AMOUNT: NOT TO EXCEED \$11,211,397.40	Resolution No.: 2021-100
	Date: November 11, 2021
	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 a change order to the contract to allow the Authority to exercise an option for the procurement and delivery of up to twenty (20) of the remaining 80, 40-ft. low floor CNG coaches under Contract No. 2020-071, which was approved by the Board of Trustees in Resolution No. 2021-022, adopted March 23, 2021.

2.0 **DESCRIPTION/JUSTIFICATION:** To provide safe, reliable and cost effective services, coaches are replaced on a regular cycle. FTA recommends replacement of transit buses at twelve years. The Authority intends to replace coaches that have exceeded their useful life in accordance with the Authority's vehicle replacement policy and guidelines.

3.0 **PROCUREMENT BACKGROUND:** On March 23, 2021, the Authority awarded Contract No. 2020-071 to Gillig, LLC for the manufacture and delivery of up to 20, 40-ft., low-floor CNG coaches spare parts, tooling and training with an option to procure up to an additional 80 coaches plus spare parts, tooling and training over the five year term of the contract through the use of the competitive RFP process. Resolution No. 2021-022 authorized the contract and funding of the initial purchase of 20 coaches. During the first year of the five-year term of the contract, three contract options totaling \$74,440.00 were authorized. The General Manager, CEO authorized Change Order No. 1 to fund the purchase and deletion of accessories on the 20, 40-ft. CNG coaches and option coaches. The General Manager, CEO authorized Change Order No. 2, a no cost change to the front cap/windshield. The General Manager, CEO authorized Change Order No. 3 to add funds for training.

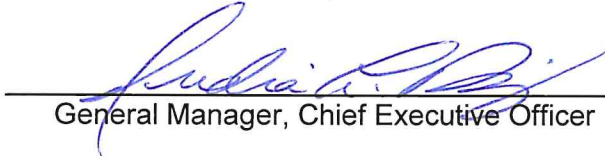
This resolution will authorize the funding to manufacture and deliver 20, 40-ft., low-floor CNG coaches at a unit price of \$560,569.87, with a scheduled delivery completion date of third quarter 2022. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in 60 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 (TMVs).

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This contract option shall be funded through the RTA Development Fund, Fleet Management Department budget, including but not limited to Capital Grants OH-2018-008, OH-2017-027, OH-2019-037-339, and OH-2020-044-339 in an amount not to exceed \$11,211,397.40 (\$8,969,117.92 in federal funds which represents 80% of the total cost).
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would delay the ability of the Authority to purchase replacement coaches.
- 8.0 RECOMMENDATION: This contract option was discussed by the Board of Trustees at the November 9, 2021 Organizational, Services & Performance Monitoring Committee meeting. It is recommended that the negotiated offer of Gillig, LLC be accepted and the resolution passed authorizing the General Manager, CEO 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.



General Manager, Chief Executive Officer

CHANGE ORDER LOG

CONTRACT NO. 2020-071

MANUFACTURE AND DELIVERY OF TWENTY(20) FORTY FOOT (40) COACHES, SPARE PARTS, TOOLING, AND TRAINING, WITH AN OPTION TO PROCURE UP TO EIGHTY(80) ADDITIONAL COACHES EXERCISED WITHIN FIVE YEARS OF CONTRACT SIGNATURE

Contract # 2020-071

Contractor: Gillig, LLC

Original Contract Amount **\$11,052,060.00**

Total G.M. Authority Remaining \$ **424,440.00**

Total Change Order Amount to Date: \$ 74,440.00

<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		6/2021	\$(560.00)	GM	\$11,051,500.00
2		7/19/21	NO COST	GM	\$11,051,500.00
3		9/17/2021	\$75,000.00	GM	\$11,126,500.00
4			\$11,211,397.40	BOARD	\$22,337,897.40

NOTES/CHANGE ORDER DESCRIPTION:

CO # 1 Various additions and deletions to the final design of the 40' coaches. Some additions are, HVAC dash display, infotainment brochure holder, 29' infotainment monitor system. Some deletions are starting capacitor, LED horizontal sign, ribbed interior flooring.

CO #2 No Cost change order to the front cap/windshield on the twenty (20), forty foot coaches and option coaches.

CO #3 CNG training needed at the Triskett and facility. Training to include Cummins engine and Allison transmission and CNG certificate

CO #4 Authorizes Funding for 20 coaches.