

RESOLUTION NO. 2022-98

AUTHORIZING A CHANGE ORDER TO EXERCISE AN OPTION UNDER CONTRACT NO. 2020-071 WITH GILLIG, LLC FOR THE PURCHASE AND DELIVERY OF UP TO 20, 40-FT. LOW FLOOR CNG COACHES, AS SPECIFIED, AT A UNIT PRICE OF \$652,031.56, FOR AN AMOUNT NOT TO EXCEED \$13,040,631.20 (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 ("Contract") 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 up to 20, 40-ft. low floor CNG coaches, as specified, at a unit price of \$652,031.56, for a total negotiated contract amount not to exceed \$13,040,631.20; 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 of the Authority 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, at a unit price of \$652,031.56, for a total change order amount not to exceed \$13,040,632.20.

Section 3. This contract option shall be funded through the RTA Development Fund, Fleet Management Department budget, including but not limited to FTA Capital Grant OH-2021-050-307, in the amount not to exceed \$2,000,000, FTA Capital Grant OH-2021-050-339 in the amount not to exceed \$2,859,332.50, and 100% Local Funds in the amount not to exceed \$8,181,298.70, for a total contract amount not to exceed \$13,040,631.20 (\$ 3,887,466.00 in federal funds which represents 30% of the total cost). This resolution is contingent upon FTA approval of pending Diesel Emission Reduction Grant (DERG), Urban Transit Program (UTP), and pending grant revisions for Capital Grant OH-2018-027.

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 15, 2022



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 \$13,040,631.20	Resolution No.: 2022-98
	Date: November 10, 2022
	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 60, 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. Resolution No. 2021-022 authorized the contract and funding of the initial purchase of 20 coaches. To date, the General Manager, CEO has authorized five change orders, totaling \$11,285,837.40. 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. Resolution No. 2021-100 authorized Change Order No. 4 to exercise the purchase of up to 20, 40-ft. low floor CNG coaches. The General Manager, CEO authorized Change Order No. 5 to fund the purchase of driver barriers.

This resolution will authorize the funding to manufacture and deliver up to 20, 40-ft., low-floor CNG coaches at a unit price of \$652,031.56 and with a scheduled delivery completion date of third quarter 2023. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in 40 coaches remaining under the contract 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 funded through the RTA Development Fund, Fleet Management Department budget, including but not limited to FTA Capital Grant OH-2021-050-307, in the amount not to exceed \$2,000,000, FTA Capital Grant OH-2021-050-339 in the amount not to exceed \$2,859,332.50, and 100% Local Funds in the amount of \$8,181,298.70, for a total contract amount not to exceed \$13,040,631.20 (\$3,887,466.00 in federal funds which represents 30% of the total cost). This resolution is contingent upon FTA approval of pending Diesel Emission Reduction Grant (DERG), Urban Transit Program (UTP), and pending grant revisions for Capital Grant OH-2018-027.
- 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 1, 2022 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: Change Order 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 \$ **392,060.00**

Total Change Order Amount to Date: \$ 11,318,217.40

<i>ITEM NO.</i>	<i>NOTE No.</i>	<i>APPROVAL DATE</i>	<i>CHANGE ORDER</i>	<i>APPROVAL AUTHORITY</i>	<i>NEW CONTRACT</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		11/16/2021	\$11,211,397.40	BOARD	\$22,337,897.40
5		7/28/2022	\$32,380.00	GM	\$22,370,277.40
6			\$13,040,631.20	BOARD	\$35,410,908.60

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.

CO #5 Authorizes the purchase and installation of Gillig driver barriers for the twenty (20) bus order.

CO #6 Authorizes Funding for 20 coaches.