

RESOLUTION NO. 2024-80

AUTHORIZING A CHANGE ORDER TO EXERCISE AN OPTION UNDER CONTRACT 2020-071 WITH GILLIG, LLC FOR THE PURCHASE AND DELIVERY OF FORTY 40-FT. LOW FLOOR CNG COACHES, SPARE PARTS AND TOOLING, AS SPECIFIED, FOR AN AMOUNT NOT TO EXCEED \$28,893,874.40 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") must 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 ("Gillig") for the manufacture and delivery of twenty 40-ft., CNG coaches, spare parts, tooling and training with an option to procure an additional eighty 40-ft., CNG coaches, spare parts, tooling and training, over the five year term of the contract; and

WHEREAS, Resolution No. 2021-100 authorized Change Order No. 4 with Gillig exercising the option to purchase twenty additional 40-ft. low floor CNG coaches; and

WHEREAS, Resolution No. 2022-098 authorized Change Order No. 6 with Gillig exercising the option to purchase twenty additional 40-ft. low floor CNG coaches; and

WHEREAS, pursuant to the original options under the Contract, Gillig has offered to manufacture and deliver the final forty 40-ft. low floor CNG coaches remaining under the contract, plus spare parts and tooling, as specified, for a total negotiated contract amount not to exceed \$28,893,874.40; and

WHEREAS, the General Manager, Chief Executive Officer deems the offer of Gillig, 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 from Gillig to provide forty 40-ft. low floor CNG coaches, spare parts and tooling 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, to provide funding for the purchase of forty 40-ft low floor CNG coaches, spare parts and tooling, for a total change order amount not to exceed \$28,893,874.40.

Section 3. This contract option shall be funded through the RTA Development Fund, Fleet Management Department budget, including but not limited to FTA Capital Grants OH-2018-002 in the amount not-to-exceed \$9,534.00, OH-2018-027 in the amount not-to-exceed \$29,620.00, OH-2020-044-307 in the amount not-to-exceed \$103,750.00, OH-2021-050-307 in the amount not-to-exceed \$1,190,315.91, OH-2021-050-339 in the amount not-to-exceed \$1,593,471.49, OH-2024-030-01 in the not-to-exceed amount \$14,480,000.00, and local advance pending award of FFY2023 Federal Transit Administration Low-No Emission grant program in the amount not-to-exceed \$4,042,000.00, SFY2024 Ohio EPA Diesel Emission Reduction Grant (DERG) in the amount not-to-exceed \$3,894,180.00, and SFY2023 Urban

Transit Program (UTP) 100% Reimbursable Grant in the amount not-to-exceed \$3,551,003 for a total contract amount not to exceed \$28,893,874.40 (\$19,534,402.92 in federal & state funds which represents 68% 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: October 29, 2024



President

Attest: 
Secretary- Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING A CHANGE ORDER TO EXERCISE AN OPTION TO PURCHASE FORTY 40-FT. CNG COACHES, SPARE PARTS AND TOOLING VENDOR: GILLIG, LLC AMOUNT: NOT TO EXCEED \$28,893,874.40	Resolution No.: 2024-80
	Date: October 24, 2024
	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 allow the Greater Cleveland Regional Transit Authority (“Authority”) to exercise an option for the procurement and delivery of all forty of the remaining 40-ft. low floor CNG coaches, spare parts and tooling under Contract No. 2020-071, which was approved by the Board of Trustees in Resolution No.2021-022 and adopted March 23, 2021.

2.0 **DESCRIPTION/JUSTIFICATION:** To provide safe, reliable, and cost-effective service, coaches are replaced on a regular cycle. The Federal Transit Administration (“FTA”) recommends replacement of transit buses at twelve years or 500,000 miles. 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, through Resolution No. 2021-022, awarded Contract No. 2020-071 to Gillig, LLC (“Gillig”) for the manufacture and delivery of twenty 40-ft., low floor CNG coaches, spare parts, tooling and training. The contract included an option to procure up to an additional eighty coaches, plus spare parts and tooling over the five-year term of the contract. Resolution No. 2021-100 authorized Change Order No. 4, exercising the option to purchase twenty additional 40-ft. low floor CNG coaches. Resolution No. 2022-098 authorized Change Order No. 6 to exercise the purchase of twenty additional 40-ft. low floor CNG coaches, leaving an option to purchase forty coaches still remaining under the contract.

This resolution will authorize the funding to manufacture and deliver forty 40-ft., low floor CNG coaches, spare parts and tooling at a unit price of \$715,529.86, with a scheduled delivery starting date of third quarter 2025. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices guidelines. This procurement will exhaust all remaining options under the contract.

A cost analysis was performed by the Procurement Department, and it was 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 FTA 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 Grants OH-2018-002 in the amount not-to-exceed \$9,534.00, OH-2018-027 in the amount not-to-exceed \$29,620.00, OH-2020-044-307 in the amount not-to-exceed \$103,750.00, OH-2021-050-307 in the amount not-to-exceed \$1,190,315.91, OH-2021-050-339 in the amount not-to-exceed \$1,593,471.49, OH-2024-030-01 in the not-to-exceed amount \$14,480,000.00, and local advance pending award of FFY2023 Federal Transit Administration Low-No Emission grant program in the amount not-to-exceed \$4,042,000.00, SFY2024 Ohio EPA Diesel Emission Reduction Grant (DERG) in the amount not-to-exceed \$3,894,180.00, and SFY2023 Urban Transit Program (UTP) 100% Reimbursable Grant in the amount not-to-exceed \$3,551,003 for a total contract amount not to exceed \$28,893,874.40 (\$19,534,402.92 in federal & state funds which represents 68% 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 October 15, 2024 Organizational, Services & Performance Monitoring Committee meeting. It is recommended that the negotiated offer of Gillig, LLC be accepted and the resolution adopted 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 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: **\$24,358,848.60**

ITEM NO.	NOTE No.	APPROVAL DATE	CHANGE ORDER AMOUNT	APPROVAL AUTHORITY	NEW CONTRACT AMOUNT
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		11/10/2022	\$13,040,631.20	BOARD	\$35,410,908.60
7			\$28,893,874.40	BOARD	\$64,304,783.00

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.

CO #7 Authorizes Funding for 40 coaches, spare parts and tooling.