

RESOLUTION NO. 2019-44

AUTHORIZING THE EXERCISE OF AN OPTION UNDER CONTRACT 2013-100 WITH GILLIG, LLC, FOR THE PURCHASE AND DELIVERY OF UP TO 25, 40-FT., LOW FLOOR CNG COACHES INCLUDING TRAINING, SPECIAL TOOLING AND SPARE PARTS, AS SPECIFIED, FOR A PRICE NOT TO EXCEED \$13,302,191.25 (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, 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, 40-ft., low floor, CNG coaches including training, special tools and spare parts at a price not to exceed \$7,721,511.64; and

WHEREAS, Resolution No. 2016-43, adopted by the Board of Trustees on June 16, 2016, authorized funding for the purchase and delivery of twenty-four, 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 No. 2016-104, adopted by the Board of Trustees on November 15, 2016, authorized funding for the purchase and delivery of three, 40-ft., low floor CNG coaches at a price not to exceed \$1,418,991.54; and

WHEREAS, Resolution No. 2017-06 authorized funding for the purchase and delivery of up to twenty-nine, 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, Resolution No. 2017-94, adopted by the Board of Trustees on November 16, 2017, authorized funding for the purchase and delivery of thirty-three, 40-ft., low floor CNG coaches at a price not to exceed \$16,156,921.14; and

WHEREAS, Gillig, LLC, with offices located at 25800 Clawiter Road, Haywood, CA 94545, has offered to manufacture and deliver an additional twenty-five, 40-ft., low floor CNG coaches, plus training, special tools and spare parts for a total negotiated contract amount not to exceed \$13,302,191.25; and

WHEREAS, the Interim 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 25, 40-ft., low-floor CNG coaches including training, special tools and spare parts, be and the same is hereby accepted.

Section 2. That the Interim 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 25, 40-ft., low floor CNG coaches including training, special tools and spare parts for a total change order amount not to exceed \$13,302,191.25

Section 3. This contract option shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to, the pending Environmental Protection Agency Diesel Mitigation Trust Fund (VW Trust), in an amount not to exceed \$2,949,853.00, FTA Capital Grant OH-2018-027 award, in the amount not to exceed \$3,507,090.00, FTA Capital Grant OH-2016-042 award, in the amount not exceed \$3,186,681.00, pending Diesel Emissions Reduction Grant (DERG) award in an amount not to exceed \$2,452,387.00, pending FTA Capital Grant OH-90-X823 in an amount not to exceed \$572,464.00, and 100 percent Local Funds in the amount of \$633,717.25 to include spare parts, tooling, and training resulting in a total contract amount for the 25, 40-ft Gillig CNG coaches not to exceed \$13,302,191.25 (\$9,456,086.84 in Federal Funds which represent 75% of total cost) This resolution is contingent upon FTA approval of pending grant awards and pending grant revisions).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years and 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: April 16, 2019



President

Attest: 

Interim CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING THE PURCHASE OF UP TO 25, 40-FT. LOW FLOOR CNG COACHES, TRAINING, SPECIAL TOOLING AND SPARE PARTS VENDOR: GILLIG, LLC AMOUNT: NOT TO EXCEED \$13,302,191.25	Resolution No.: 2019-44
	Date: April 11, 2019
	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 for the procurement and delivery of up to 25, 40-ft. low floor CNG coaches, which was approved by the Board of Trustees in Resolution No. 2013-110.

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 130 NABI coaches over 12 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:** On November 19, 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 \$64,128,068.44 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 coaches. Resolution No. 2017-06, authorized Option No. 6 rescinding Options 4 & 5 and funding the purchase of up to 29 diesel buses. The CEO, General Manager/Secretary-Treasurer authorized Option No. 7 to fund the starting system Ultra Capacitors and Allison XFE Transmission. Resolution No. 2017-94, authorized Option No. 8 to fund the purchase of up to 33 CNG coaches. The CEO, General Manager/Secretary-Treasurer authorized Option No. 9 for the removal of approaching vehicle warning system, and an addition of exterior retarder disable lights. The CEO, General Manager/Secretary-Treasurer authorized Option No. 10 to fund the purchase of the new near zero emission Cummins L9N CNG engine. A total of 72 coaches remain under the contract option.

This resolution will authorize the funding to manufacture and deliver 25 additional 40-ft., low-floor CNG coaches at a unit price of \$523,087.65, with a scheduled delivery completion date of third quarter 2020. Spare parts, tooling and training are estimated to total \$225,000.00. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in 47 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, the pending Environmental Protection Agency Diesel Mitigation Trust Fund (VW Trust), in an amount not to exceed \$2,949,853.00, FTA Capital Grant OH-2018-027, in the amount not to exceed \$3,507,090.00, FTA Capital Grant OH-2016-042, in the amount not exceed \$3,186,681.00, pending Diesel Emissions Reduction Grant (DERG) award in an amount not to exceed \$2,452,387.00, pending FTA Capital Grant OH-90-X823 in an amount not to exceed \$572,464.00, and 100% Local Funds in the amount of \$633,717.25 to include spare parts, tooling, and training resulting in a total contract amount for the 25, 40 ft. Gillig CNG coaches not to exceed \$13,302,191.25 (\$9,456,086.84 in Federal Funds which represent 75% of total cost). 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 Interim 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.



Interim 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/Special Tools/Spare Parts Over the Five Year Term of the Contract)

Contract # **2013-100**

Contractor **Gillig, LLC**

Original Contract Amount **\$28,951,898.00** Total G.M. Authority Remaining **\$234,916.99**

Total Amount Exercised To Date; **\$64,128,068.44**

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	\$11,528,147.51	BOARD	\$62,368,436.55
5		11/15/2016	\$1,418,991.54	BOARD	\$63,787,428.09
6		1/24/2017	\$12,707,960.75	BOARD	\$63,548,429.83
7		5/19/2017	\$125,251.00	GM	\$63,673,500.79
8		11/27/2017	\$16,156,921.14	BOARD	\$79,830,420.40
9		3/2/2018	(-\$20,762.01)	GM	\$79,809,658.39
10		7/19/2018	\$323,169.00	BOARD	\$80,132,827.39
11			\$13,302,191.25	BOARD	

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
- Item No. 7 Authorizes Funding for Starting system Ultra Capacitors and Allison XFE Transmission
- Item No. 8 Authorizes Funding for 33 Buses/Training/Tooling/Spare Parts
- Item No. 9 Authorizes Funding for the removal of Vehicles Warning system and adding retarder disable light
- Item No. 10 Authorizes Funding for Near Zero emission CNG Engine