

RESOLUTION NO. 2019-110

AUTHORIZING THE EXERCISE OF AN OPTION UNDER CONTRACT 2018-037 WITH MOTOR COACH INDUSTRIES, INC. FOR THE PURCHASE AND DELIVERY OF THREE (3) FORTY-FIVE FOOT (45') COMMUTER COACHES, AS SPECIFIED, IN AN AMOUNT NOT TO EXCEED \$1,690,950.12 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority has identified the need to replace commuter coaches that have exceeded their useful life with similar environmentally-friendly, fuel-efficient commuter coaches; and

WHEREAS, Resolution No. 2018-084 authorized Contract No. 2018-037 with Motor Coach Industries, Inc., for the manufacture and delivery of up to nine (9) forty-five foot (45') commuter coaches plus training, special tools and spare parts with an option to procure up to eleven (11) additional commuter coaches plus training, special tools and spare parts over the five-year term of the contract; and

WHEREAS, Motor Coach Industries, Inc., with offices located at 200 East Oakton Street, Des Plaines, IL 60018, has offered to manufacture and deliver an additional three (3) forty-five foot (45') commuter coaches, at a unit price of \$563,650.04, for a total negotiated contract amount under this option, not to exceed \$1,690,950.12; and

WHEREAS, the General Manager, Chief Executive Officer deems the offer of Motor Coach Industries, Inc. 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 Motor Coach Industries, Inc., to provide three (3) forty-five foot (45') commuter coaches, be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and is hereby authorized to exercise an option to Contract No. 2018-037 with Motor Coach Industries, Inc. to provide funding for the purchase of three (3) forty-five foot (45') commuter coaches at a unit price of \$563,650.04, for a total change order amount not to exceed \$1,690,950.12, contingent upon approval of applicable grants.

Section 3. That this contract option shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to, 100% Local Advance Funds pending Urban Transit Program award reimbursement in an amount not to exceed \$1,690,950.12.

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: December 17, 2019



President

Attest: 

Interim Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: AUTHORIZING THE PURCHASE OF THREE (3) FORTY-FIVE FOOT (45') COMMUTER COACHES	Resolution No.: 2019-110
VENDOR: MOTOR COACH INDUSTRIES, INC.	Date: December 12, 2019
AMOUNT: NOT TO EXCEED \$1,690,950.12	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 Authority to exercise the option to purchase three (3) of the remaining eleven (11) forty-five foot (45') commuter coaches, as specified.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority intends to replace some of its fleet of MCI commuter coaches. The 2008 forty-five foot (45') MCI commuter coach 1700 fleet has reached the end of its useful life in accordance with the Authority's vehicle replacement policy and guidelines. This procurement will replace three (3) of the six (6) forty-five foot (45') MCI D 4500 coaches. The procurement of these commuter coaches will ensure adequate vehicles will be available for the Authority's Park-N-Ride services.
- 3.0 PROCUREMENT BACKGROUND: On September 18, 2018, the Authority awarded Contract No. 2018-037 to Motor Coach Industries, Inc. for the manufacture and delivery of up to nine (9) forty-five foot (45') commuter coaches plus training, special tools and spare parts with an option to procure up to an additional eleven (11) commuter coaches plus training, special tools and spare parts over the five year term of the contract. Resolution No. 2018-084 authorized the contract and funding of the initial purchase of nine (9) coaches. During the first year of the five year term of the contract, one change order totaling \$28,647.00 has been authorized. The General Manager, Chief Executive Officer authorized Change Order No. 1 to fund the upgrade of the exterior paint and graphics of the first nine (9) commuter coaches. That paint and graphics upgrade will be included on all remaining coaches.

This resolution will authorize the funding to manufacture and deliver three (3) forty-five foot (45') commuter coaches at a unit price of \$563,650.04, with a scheduled delivery completion date of second quarter 2020. The negotiated price is within the FTA suggested Producer Price Index (PPI) Best Practices Guidelines. This procurement will result in eight (8) commuter 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. Award of a contract option 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 will be funded from the RTA Development Fund, Fleet Management Department budget,) 100% Local Advance Funds pending Urban Transit Program award reimbursement in an amount not to exceed \$1,690,950.12.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would delay the ability of the Authority to procure replacement commuter coaches.
- 8.0 RECOMMENDATION: It is recommended that the negotiated offer of Motor Coach Industries, Inc., be accepted and the resolution passed authorizing the General Manager, Chief Executive Officer to amend the contract.
- 9.0 ATTACHMENT: Attachment A - Option/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

**ATTACHMENT A
OPTION/ CHANGE ORDER LOG**

MANUFACTURE AND DELIVERY OF UP TO NINE (9) FORTY-FIVE FOOT (45') COMMUTER COACHES WITH AN OPTION TO PROCURE UP TO ELEVEN (11) ADDITIONAL COMMUTER COACHES, TRAINING, SPECIAL TOOLS AND SPARE PARTS OVER A PERIOD OF FIVE YEARS

Contract No. 2018-037

Contractor: Motor Coach Industries, Inc.

Original Contract Amount: \$ 5,134,023.77

Total G.M. Authority Remaining: \$ 221,353.00

Total Change Order Amount to Date: \$ 28,647.00

ITEM NO.	NOTE No.	APPROVAL DATE	AMOUNT OF CHANGE	APPROVAL AUTHORITY	NEW CONTRACT AMOUNT
1	1	5/21/2019	\$28,647.00	GM Change order	\$5,162,670.77
2	2		\$1,690,950.12	BOT Option	\$6,853,620.89

NOTES: OPTION/CHANGE ORDER DESCRIPTION:

1. Change Order No. 1: Exterior paint and graphics upgrade to nine (9) forty-five foot (45') commuter coaches.
2. Option No. 1: Authorizes funding for three (3) forty-five foot (45') commuter coaches