



HOWARD COUNTY OFFICE OF TRANSPORTATION

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Clive Graham, Administrator

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Memorandum

To: Lonnie Robbins, Chief Administrative Officer, Department of County Administration

From: Clive Graham

Date: October 11, 2017

Subject: Testimony in support of Ordinance authorizing lease-purchase of six fixed-route transit buses for use by the Regional Transportation Agency (RTA)

The Office of Transportation's (OoT) approved FY 2018 Operating Budget includes approximately \$230,000 for the first year's payment of a 10-year lease-to-purchase agreement for new buses. The OoT presented and explained the proposal to the County Council during budget sessions in Spring 2017.

County Council legislative approval is required for the agreement because it will obligate the County for more than one year (Charter Section 612).

Need for new buses

The Regional Transportation Agency (RTA) total fixed-route fleet is approximately 49 buses. Of these, approximately 27 are at or above their useful life under Federal Transit Administration standards. Essentially they are too old and/or have been driven many more miles than they were designed for.

As a result the buses have frequent mechanical issues. This results in missed trips (over 6 per day July 2016 to June 2017) and road calls (breakdowns while on route); over two per day July 2016 to June 2017). The RTA does not have enough spare vehicles to cover for broken down buses. The cost to maintain these old buses in labor and parts is very high.

New buses will enable the RTA to provide reliable service on more routes. The buses are part a of a comprehensive planning and investment campaign to upgrade the RTA's services and transform the system from one of last resort to one of choice. As such this expenditure will send an important continuing message of positive change to riders, RTA employees, and to the general public.

Buses

The new buses will be 32-foot long “EZ Rider” buses manufactured by the EIDorado company based in Riverside California. The buses seat up to 33 passengers and meet all ADA requirements. See Attachment 1; Brochure. These buses are true, heavy-duty transit buses, suitable for running 18 hours per day, year-round.

Delivery and service date

It takes several months after contract approval to order the parts and build the buses. EIDorado is holding bus production slots for Howard County in Fall 2018 and has advised that assuming a Howard County order around mid-November 2017, they will deliver buses by September/October 2018.

Cost

The total cost per bus, not including financing, will be \$362,880.50 (or \$2,177,283 for all six). The cost with financing for the six buses will be \$2,461,779. The debt service will be spread over 11 payments in 10 years with payments ranging slightly from \$223,442 to \$224,338 (see Attachment 2, Bond Debt Service).

The financing documents will be similar to the substantially complete form submitted with the Ordinance see Exhibit B to the Ordinance. The Howard County Department of Finance and McKennon Shelton & Henn LLP, (MSH) the County’s bond counsel, have reviewed the financing documents. MSH will review the financing and deliver an opinion regarding tax exemption.

Contract

The buses would be purchased from EIDorado National-California. Inc. (EIDorado). EIDorado holds a contract with the Houston Galveston Area Council (HGAC) – a cooperative purchasing program. The Howard County Office of Purchasing has advised that Howard County has an HGAC Interlocal Agreement # 07-1835 under the Baltimore Metropolitan Council (BMC). Under this agreement Howard County can make purchases under the HGAC contract (see Attachment 3, EIDorado contract with HGAC).

Attachment 1
Brochure

E-Z RIDER II



REV GROUP



Unsurpassed Flexibility / Legendary Reliability

HEAVY-DUTY 30', 32' AND 35' LOW-FLOOR BUS



BEST AESTHETICS

Swept windshield offers the superior aesthetics you demand with enhanced visibility and reduced wind noise for the driver and passengers.



HIGHEST CAPACITY

Best seated capacity in the business! The E-Z Rider II 35' seats as many as the competitors 40' bus! High capacity with superior maneuverability and greater fuel efficiency.



MOST WHEELCHAIRS

Up to four wheelchairs can be accommodated with ADA ramps at front, center or rear doors = total access! The available center door ramp is designed to accommodate even the largest electric scooters with ease.

The Eldorado National E-Z Rider II continues to be the mid-size, heavy-duty low-floor bus gold standard! Designed and built in the USA, the E-Z Rider II offers unmatched floor plan flexibility with ADA compliant wheelchair ramps at front, center or both doors for superior paratransit flexibility. With hundreds of options, the E-Z Rider II is custom built to meet your exacting needs. With the latest in exterior styling, the E-Z Rider II will separate your fleet from the ordinary!

DESIGNED AND BUILT IN THE USA!

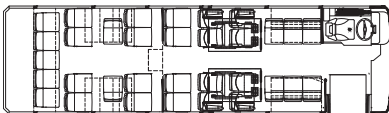
POPULAR FLOORPLANS

(Note: this is only a partial listing of available floorplans. To find a floorplan meeting your exact needs, contact your ENC representative.)

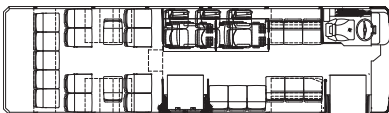
30' MODEL



20 Passengers w/2 Wheelchairs
or 23 Passengers plus Standees

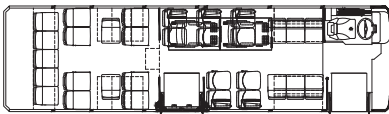


25 Passengers w/2 Wheelchairs
or 33 Passengers plus Standees

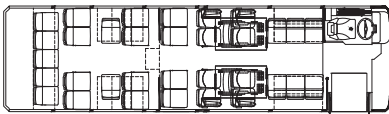


24 Passengers w/2 Wheelchairs
or 30 Passengers plus Standees

32' MODEL



25 Passengers w/2 Wheelchairs
or 31 Passengers plus Standees



25 Passengers w/2 Wheelchairs
or 33 Passengers plus Standees



19 Passengers w/3 Wheelchairs
or 27 Passengers plus Standees

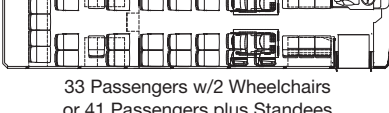
35' MODEL



30 Passengers w/2 Wheelchairs
or 35 Passengers plus Standees

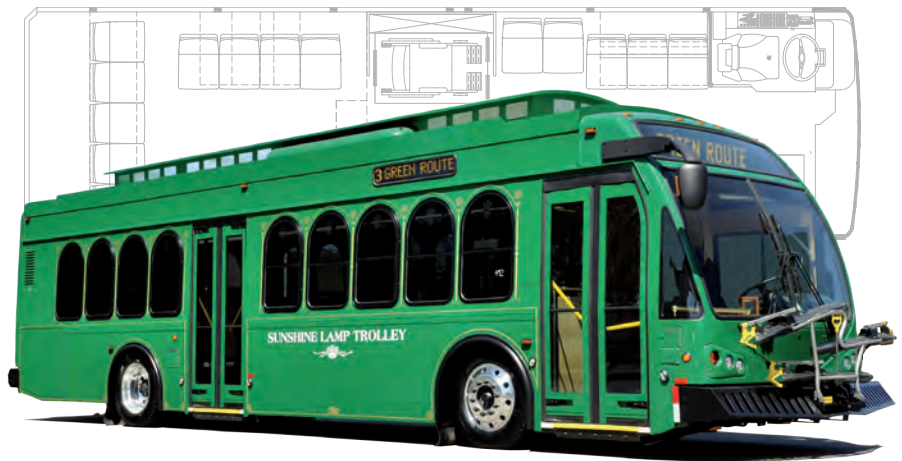


22 Passengers w/2 Wheelchairs
or 28 Passengers plus Standees



33 Passengers w/2 Wheelchairs
or 41 Passengers plus Standees

TECHNICAL SPECIFICATIONS	30' MODEL	32' MODEL	35' MODEL
GVWR	35,000 lbs.	35,000 lbs.	35,000 lbs.
Body Length	30' 7"	31' 3"	35' 7"
Body Width	102"	102"	102"
Wheelbase	160"	168"	220"
Approach Angle	8.7°	8.7°	8.7°
Breakover Angle	14°	14°	12°
Departure Angle	8.7°	8.7°	8.7°
Seating	Up to 33	Up to 33	Up to 41
Body Height	125" With Exhaust, 126" With Roof HVAC, 136" With CNG		
Interior Height	95" Over Front Axle, 78" Over Rear Axle		
Step Height-Front And Rear Doors	14" and 11" Kneeled		
Wheelchair Ramp Locations	Front And/Or Center Doors		
Available Engines	Cummins - Diesel, CNG, LNG, Diesel/Electric Hybrid		
Available Transmissions	Allison - B300R, B400R, Voith, ZF		
Passenger HVAC	Roof Or Rear Mounted Plus Dash Mounted Driver's HVAC		
Front And Rear Axles	ArvinMeritor		
Brakes	S-Cam Drum W/Automatic Slack Adjusters And ABS		
Tires	275/70R 22.5		
Front And Rear Doors	Vapor Air - Slide Glide		
Electrical System	I/O Controls Multiplex - G2A, G3 or G4		
Suspension	Air Suspension Front And Rear		



At ENC, we constantly improve our product; as a result all specifications and dimensions are subject to change without notice.



REVGROUP
9670 Galena Street • Riverside, CA 92509
(909) 591-9557
www.eldorado-ca.com

Attachment 2
Bond Debt Service

BOND DEBT SERVICE

Howard County, MD
 Banc of America Public Capital Corp Proposal - 2.107% Rate
 Tax-Exempt Non-Bank Qualified
 Preliminary Estimate; Subject to Change

Period Ending	Principal	Coupon	Interest	Debt Service
06/30/2018	214,000	2.107%	10,148.37	224,148.37
06/30/2019	182,000	2.107%	41,370.95	223,370.95
06/30/2020	186,000	2.107%	37,515.14	223,515.14
06/30/2021	190,000	2.107%	33,575.05	223,575.05
06/30/2022	194,000	2.107%	29,550.68	223,550.68
06/30/2023	198,000	2.107%	25,442.03	223,442.03
06/30/2024	203,000	2.107%	21,238.57	224,238.57
06/30/2025	207,000	2.107%	16,940.28	223,940.28
06/30/2026	211,000	2.107%	12,568.26	223,568.26
06/30/2027	216,000	2.107%	8,090.88	224,090.88
06/30/2028	222,000	2.107%	2,338.77	224,338.77
	2,223,000		238,778.98	2,461,778.98

Attachment 3

ElDorado contract with HGAC

A CONTRACT BETWEEN
HOUSTON-GALVESTON AREA COUNCIL
Houston, Texas
AND
ELDORADO NATIONAL - CALIFORNIA, INC
Riverside, California

This Contract is made and entered into by the Houston-Galveston Area Council of Governments, hereinafter referred to as H-GAC, having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027, AND, Eldorado National - California, Inc hereinafter referred to as the CONTRACTOR, having its principal place of business at 9670 Galena Street, Riverside, California 92509.

ARTICLE 1: **SCOPE OF SERVICES**

The parties have entered into a Buses – Shuttle, Transit, Trams & Other Specialty Buses Contract to become effective as of January 1, 2017, and to continue through December 31, 2018 (the “Contract”), subject to extension upon mutual agreement of the CONTRACTOR and H-GAC. H-GAC enters into the Contract as Agent for participating governmental agencies, each hereinafter referred to as END USER, for the purchase of Buses – Shuttle, Transit, Trams & Other Specialty Buses offered by the CONTRACTOR in states other than Texas. The CONTRACTOR agrees to sell Buses – Shuttle, Transit, Trams & Other Specialty Buses through the H-GAC Contract to END USERS in states other than Texas.

ARTICLE 2: **THE COMPLETE AGREEMENT**

The Contract shall consist of the documents identified below in order of precedence:

1. The text of this Contract form, including but not limited to, Attachment A
2. General Terms and Conditions
3. Bid Specifications No:BT01-17, including any relevant suffixes
4. CONTRACTOR’s Response to Bid No: BT01-17, including but not limited to, prices and options offered

All of which are either attached hereto or incorporated by reference and hereby made a part of this Contract, and shall constitute the complete agreement between the parties hereto. This Contract supersedes any and all oral or written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Contract cannot be modified without the written consent of both parties.

ARTICLE 3: **LEGAL AUTHORITY**

CONTRACTOR and H-GAC warrant and represent to each other that they have adequate legal counsel and authority to enter into this Contract. The governing bodies, where applicable, have authorized the signatory officials to enter into this Contract and bind the parties to the terms of this Contract and any subsequent amendments thereto.

ARTICLE 4: **APPLICABLE LAWS**

The parties agree to conduct all activities under this Contract in accordance with all applicable rules, regulations, directives, issuances, ordinances, and laws in effect or promulgated during the term of this Contract.

ARTICLE 5: **INDEPENDENT CONTRACTOR**

The execution of this Contract and the rendering of services prescribed by this Contract do not change the independent status of H-GAC or CONTRACTOR. No provision of this Contract or act of H-GAC in performance of this Contract shall be construed as making CONTRACTOR the agent, servant or employee of H-GAC, the State of Texas or the United States Government. Employees of CONTRACTOR are subject to the exclusive control and supervision of CONTRACTOR. CONTRACTOR is solely responsible for employee payrolls and claims arising therefrom.

ARTICLE 6: **END USER AGREEMENTS**

H-GAC acknowledges that the END USER may choose to enter into an End User Agreement with the CONTRACTOR through this Contract and that the term of said Agreement may exceed the term of the H-GAC Contract. However this acknowledgement is not to be construed as H-GAC’s endorsement or approval of the End User Agreement terms and conditions. CONTRACTOR agrees not to offer to, agree to or accept from END USER any terms or conditions that conflict with or contravene those in CONTRACTOR’s H-GAC contract.

Further, termination of this Contract for any reason shall not result in the termination of the underlying End User Agreements entered into between CONTRACTOR and any END USER which shall, in each instance, continue pursuant to their stated terms and duration. The only effect of termination of this Contract is that CONTRACTOR will no longer be able to enter into any new End User Agreements with END USERS pursuant to this Contract. Applicable H-GAC order processing charges will be due and payable to H-GAC on any End User Agreements surviving termination of this Contract between H-GAC and CONTRACTOR.

ARTICLE 7: SUBCONTRACTS & ASSIGNMENTS

CONTRACTOR agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Contract or any right, title, obligation or interest it may have therein to any third party without prior written notice to **H-GAC**. **H-GAC** reserves the right to accept or reject any such change. **CONTRACTOR** shall continue to remain responsible for all performance under this Contract regardless of any subcontract or assignment. **H-GAC** shall be liable solely to **CONTRACTOR** and not to any of its Subcontractors or Assignees.

ARTICLE 8: EXAMINATION AND RETENTION OF CONTRACTOR'S RECORDS

CONTRACTOR shall maintain during the course of its work, complete and accurate records of items that are chargeable to **END USER** under this Contract. **H-GAC**, through its staff or its designated public accounting firm, the State of Texas, or the United States Government shall have the right at any reasonable time to inspect copy and audit those records on or off the premises of **CONTRACTOR**. Failure to provide access to records may be cause for termination of this Contract. **CONTRACTOR** shall maintain all records pertinent to this Contract for a period of not less than five (5) calendar years from the date of acceptance of the final contract closeout and until any outstanding litigation, audit or claim has been resolved. The right of access to records is not limited to the required retention period, but shall last as long as the records are retained. **CONTRACTOR** further agrees to include in all subcontracts under this Contract, a provision to the effect that the subcontractor agrees that **H-GAC'S** duly authorized representatives, shall, until the expiration of five (5) calendar years after final payment under the subcontract or until all audit findings have been resolved, have access to, and the right to examine and copy any directly pertinent books, documents, papers, invoices and records of such subcontractor involving any transaction relating to the subcontract.

ARTICLE 9: REPORTING REQUIREMENTS

CONTRACTOR agrees to submit reports or other documentation in accordance with the General Terms and Conditions of the Bid Specifications. If **CONTRACTOR** fails to submit to **H-GAC** in a timely and satisfactory manner any such report or documentation, or otherwise fails to satisfactorily render performance hereunder, such failure may be considered cause for termination of this Contract.

ARTICLE 10: MOST FAVORED CUSTOMER CLAUSE

If **CONTRACTOR**, at any time during this Contract, routinely enters into agreements with other governmental customers within the State of Texas, and offers the same or substantially the same products/services offered to **H-GAC** on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to **H-GAC**, **CONTRACTOR** shall notify **H-GAC** within ten (10) business days thereafter of that offering and this Contract shall be deemed to be automatically amended effective retroactively to the effective date of the most favorable contract, wherein **CONTRACTOR** shall provide the same prices, warranties, benefits, or terms to **H-GAC** and its **END USER**. **H-GAC** shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed null and void. If **CONTRACTOR** is of the opinion that any apparently more favorable price, warranty, benefit, or term charged and/or offered a customer during the term of this Contract is not in fact most favored treatment, **CONTRACTOR** shall within ten (10) business days notify **H-GAC** in writing, setting forth the detailed reasons **CONTRACTOR** believes aforesaid offer which has been deemed to be a most favored treatment, is not in fact most favored treatment. **H-GAC**, after due consideration of such written explanation, may decline to accept such explanation and thereupon this Contract between **H-GAC** and **CONTRACTOR** shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties, benefits, or terms to **H-GAC**.

The Parties accept the following definition of routine: A prescribed, detailed course of action to be followed regularly; a standard procedure.

EXCEPTION: This clause shall not be applicable to prices and price adjustments offered by a bidder, proposer or contractor, which are not within bidder's/ proposer's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.

ARTICLE 11: SEVERABILITY

All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

ARTICLE 12: DISPUTES

Any and all disputes concerning questions of fact or of law arising under this Contract, which are not disposed of by agreement, shall be decided by the Executive Director of **H-GAC** or his designee, who shall reduce his decision to writing and provide notice thereof to **CONTRACTOR**. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, **CONTRACTOR** requests a rehearing from the Executive Director of **H-GAC**. In connection with any rehearing under this Article, **CONTRACTOR** shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. **CONTRACTOR** may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a court of competent jurisdiction. Pending final decision of a dispute hereunder, **CONTRACTOR** shall proceed diligently with the performance of this Contract and in accordance with **H-GAC'S** final decision.

ARTICLE 13: LIMITATION OF CONTRACTOR'S LIABILITY

Except as specified in any separate writing between the CONTRACTOR and an END USER, CONTRACTOR's total liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, but excluding its obligation to indemnify H-GAC described in Article 14, is limited to the price of the particular products/services sold hereunder, and CONTRACTOR agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. In no event will CONTRACTOR be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. CONTRACTOR understands and agrees that it shall be liable to repay and shall repay upon demand to END USER any amounts determined by H-GAC, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Contract.

ARTICLE 14: LIMIT OF H-GAC'S LIABILITY AND INDEMNIFICATION OF H-GAC

H-GAC's liability under this Contract, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to its order processing charge. In no event will H-GAC be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor agrees, to the extent permitted by law, to defend and hold harmless H-GAC, its board members, officers, agents, officials, employees, and indemnities from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgments, and liens arising as a result of CONTRACTOR's negligent act or omission under this Contract. CONTRACTOR shall notify H-GAC of the threat of lawsuit or of any actual suit filed against CONTRACTOR relating to this Contract.

ARTICLE 15: TERMINATION FOR CAUSE

H-GAC may terminate this Contract for cause based upon the failure of CONTRACTOR to comply with the terms and/or conditions of the Contract; provided that H-GAC shall give CONTRACTOR written notice specifying CONTRACTOR'S failure. If within thirty (30) days after receipt of such notice, CONTRACTOR shall not have either corrected such failure, or thereafter proceeded diligently to complete such correction, then H-GAC may, at its option, place CONTRACTOR in default and the Contract shall terminate on the date specified in such notice. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation was received by CONTRACTOR.

ARTICLE 16: TERMINATION FOR CONVENIENCE

Either H-GAC or CONTRACTOR may cancel or terminate this Contract at any time by giving thirty (30) days written notice to the other. CONTRACTOR may be entitled to payment from END USER for services actually performed; to the extent said services are satisfactory to END USER. CONTRACTOR shall pay to H-GAC any order processing charges due from CONTRACTOR on that portion of the Contract actually performed by CONTRACTOR and for which compensation is received by CONTRACTOR.

ARTICLE 17: CIVIL AND CRIMINAL PROVISIONS AND SANCTIONS

CONTRACTOR agrees that it will perform under this Contract in conformance with safeguards against fraud and abuse as set forth by H-GAC, the State of Texas, and the acts and regulations of any funding entity. CONTRACTOR agrees to notify H-GAC of any suspected fraud, abuse or other criminal activity related to this Contract through filing of a written report promptly after it becomes aware of such activity.

ARTICLE 18: GOVERNING LAW & VENUE

This Contract shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or cause of action arising under or in connection with this Contract shall lie exclusively in Harris County, Texas. Disputes between END USER and CONTRACTOR are to be resolved in accord with the law and venue rules of the state of purchase. CONTRACTOR shall immediately notify H-GAC of such disputes.

ARTICLE 19: PAYMENT OF H-GAC ORDER PROCESSING CHARGE

CONTRACTOR agrees to sell its products to END USERS based on the pricing and other terms of this Contract, including, but not limited to, the payment of the applicable H-GAC order processing charge. On notification from an END USER that an order has been placed with CONTRACTOR, H-GAC will invoice CONTRACTOR for the applicable order processing charge. Upon delivery of any product/service by CONTRACTOR and acceptance by END USER, CONTRACTOR shall, within thirty (30) calendar days or ten (10) business days after receipt of payment, whichever is less, pay H-GAC the full amount of the applicable order processing charge, whether or not CONTRACTOR has received an invoice from H-GAC. For sales made by CONTRACTOR based on this contract, including sales to entities without Interlocal Contracts, CONTRACTOR shall pay the applicable order processing charges to H-GAC. Further, CONTRACTOR agrees to encourage entities who are not members of H-GAC's Cooperative Purchasing Program to execute an H-GAC Interlocal Contract. H-GAC reserves the right to take appropriate actions including, but not limited to, contract termination if CONTRACTOR fails to promptly remit H-GAC's order processing charge. In no event shall H-GAC have any liability to CONTRACTOR for any goods or services an END USER procures from CONTRACTOR.

ARTICLE 20: LIQUIDATED DAMAGES

Any liquidated damages terms will be determined between CONTRACTOR and END USER at the time END USER's purchase order is placed.

ARTICLE 21: PERFORMANCE AND PAYMENT BOND FOR INDIVIDUAL ORDERS

H-GAC's contractual requirements DO NOT include a Performance & Payment Bond (PPB), and offered pricing should reflect this cost saving. However, CONTRACTOR must be prepared to offer a PPB to cover any specific order if so requested by END USER. CONTRACTOR shall quote a price to END USER for provision of any requested PPB, and agrees to furnish the PPB within ten business (10) days of receipt of END USER's purchase order.

ARTICLE 22: CHANGE OF CONTRACTOR STATUS


CONTRACTOR shall immediately notify H-GAC, in writing, of ANY change in ownership, control, dealership/franchisee status, Motor Vehicle license status, or name, and shall also advise whether or not this Contract shall be affected in any way by such change. H-GAC shall have the right to determine whether or not such change is acceptable, and to determine what action shall be warranted, up to and including cancellation of Contract.

ARTICLE 23: LICENSING REQUIRED BY TEXAS MOTOR VEHICLE BOARD [IF APPLICABLE]

CONTRACTOR will for the duration of this Contract maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this Contract period, any CONTRACTOR'S license is not renewed, or is denied or revoked, CONTRACTOR shall be deemed to be in default of this Contract unless the Motor Vehicle Board issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Board documentation to H-GAC upon request.


IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their duly authorized representatives.

Signed for Houston-Galveston Area Council, Houston, Texas:



Jack Steele, Executive Director

Attest for Houston-Galveston Area Council, Houston, Texas:



Deidre Vick, Director of Public Services

Date: Nov 29, 2016


Signed for EIDorado National - California, Inc Riverside, California:



Printed Name & Title: Michael Ammann, Vice President of Sales

Date: November 16, 2016

Attest for EIDorado National - California, Inc Riverside, California:



Printed Name & Title: Karin S. Rexroad, Bid Analyst

Date: November 16, 2016