

Resolution 2003- 101

AUTHORIZING CONTRACT NO. 2003-055 WITH ORX FOR THE FURNISHING OF 300 STEEL WHEELS FOR THE TOKYU HRV FLEET, AS SPECIFIED, AT A PRICE OF \$146,700.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET).

WHEREAS, the bid of ORX located at One Park Avenue, Tipton, PA 16684 for the furnishing of 300 Tokyu HRV steel wheels was received on June 27, 2003 for the unit prices set forth in said bid, involving an expenditure of one hundred forty six thousand seven hundred & 00/100 dollars (\$146,700.00); and

WHEREAS, the General Manager deems the bid of ORX to be the lowest responsive bid from a responsible bidder 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 bid of ORX received on June 27 2003 be and the same is hereby accepted as the lowest responsive bid from a responsible bidder.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with ORX for the furnishing of 300 steel wheels for the HRV fleet as specified.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department Budget in the amount of \$146,700.00.

Section 4. That said contract shall be binding upon and an obligation of the Authority; contingent upon compliance by the contractor to the Specification and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2002-120; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: July 15, 2003



President

Attest: 

CEO, General Manager/ Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

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TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2003-055 WITH ORX COMPANY FOR THE FURNISHING OF 300 STEEL WHEELS FOR THE TOKYU HRV FLEET AS SPECIFIED AT A PRICE OF \$146,700.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET).	Resolution No.: 2003 - 101
	Date: July 10, 2003
	Initiator: Inventory Section
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 allow the Authority to enter into a contract for the furnishing of 300 Tokyu HRV steel wheels as specified.
- 2.0 DESCRIPTION/JUSTIFICATION: Steel wheels are a consumable part of the Tokyu HRV fleet. When new, the wheels have an outside diameter that measures 28". When in service the wheels will develop flat spots. When this occurs the surface of the wheels must be ground to ensure proper sizing per axle. The minimum a wheel can be turned down to is 26" in diameter thereafter it must be replaced. This procedure provides for less wear on the gearboxes and other mechanical parts of the vehicle as well as providing a smoother and safer ride for our customers.
- 3.0 PROCUREMENT BACKGROUND: Six (6) bid packages were mailed to potential vendors for the solicitation. Three responsive and responsible bids were received on June 27, 2003 as follows:

	<u>Per Wheel</u>	<u>Total Cost</u>
A. ORX One Park Avenue Tipton, PA 16684	\$489.00	\$146,700.00
B. Penn Machine 106 Station Street Johnstown, PA 15905	\$672.00	\$201,600.00
C. Hall Industries 514 Mecklem Lane Ellwood City, PA 16117-3028	\$1,311.00	\$393,300.00

The bid of ORX has been determined by the Procurement Department to be the lowest responsive bid from a responsible bidder for the material as specified.

A price analysis was performed and the Procurement Department has determined the bid by ORX of \$146,700.00 to be fair and reasonable to the Authority. The price for this procurement is 22% below the price paid for 300 HRV wheels in 2001.

- 4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of subcontracting opportunities
- 5.0 POLICY IMPACT: Does not apply.

- 6.0 ECONOMIC IMPACT: This contract shall be payable from the General Fund, Fleet Management Department budget, in the amount of \$146,700.00. The price for this procurement is 14% below the estimate.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of all bids would delay the procurement of the steel wheels and risk not having wheels available to meet the needs of the Authority in a timely manner. Also, rejection of this bid may potentially cause the unsafe operation of the HRV fleet and may impact the safety of our customers, operators, and the service goals of the Authority.
- 8.0 RECOMMENDATION: It is recommended that the bid of ORX be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer