

RESOLUTION NO. 2003- 157

AUTHORIZING SOLE SOURCE CONTRACT 2003-113 WITH MCQUAY SERVICE FOR ELEVEN (11) MCQUAY ROOFTOP HEAT EXCHANGERS AT A PRICE OF \$69,725.00 (RTA CAPITAL FUND, PROJECT DEVELOPMENT AND ENGINEERING DEPARTMENT BUDGET)

WHEREAS, the Authority requires the installation of rooftop heat exchangers at the Harvard District Bus Garage; and

WHEREAS, the offer of McQuay Service, located at 13600 Industrial Park Boulevard, Minneapolis, MN 55440 to install eleven (11) McQuay rooftop heat exchangers that are covered under the existing product warranty which covers parts only at the Harvard District Bus Garage was received; and

WHEREAS, the installation cost has been negotiated for a contract price of sixty nine thousand seven hundred twenty five and 00/100 dollars (\$69,725.00); and

WHEREAS, McQuay Service has warranty rights resulting from a product warranty with the original construction contract for the Harvard District Bus Garage; and

WHEREAS, the General Manager deems the offer of McQuay Service to be fair and reasonable 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 General Manager of the Authority be and he is hereby authorized to enter into a contract with McQuay Service for the installation of eleven (11) heat exchangers, as specified.

Section 2. That said contract shall be payable from RTA Capital Fund, Project Development and Engineering Department Budget in the amount of sixty nine thousand seven hundred twenty five & 00/100 dollars (\$69,725.00).

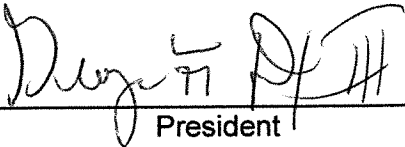
Section 3. That the terms of such contract shall be consistent with the offer of McQuay Service.

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.

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

Adopted: October 21, 2003

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION:  AUTHORIZING SOLE SOURCE CONTRACT 2003-113 WITH MCQUAY SERVICE TO INSTALL ELEVEN (11) MCQUAY ROOFTOP HEAT EXCHANGERS AT A PRICE OF \$69,725.00 (RTA CAPITAL FUND, PROJECT DEVELOPMENT AND ENGINEERING DEPARTMENT BUDGET)	Resolution No.: 2003 -
	Date: October 21, 2003
	Initiator: Project Development & Engineering Department
ACTION REQUEST: X 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 sole source contract with McQuay Service to install eleven heat exchange units at the Harvard District Bus Garage.

2.0 DESCRIPTION/JUSTIFICATION: There are twenty-two McQuay rooftop-heating units located at the Harvard District. As a result of a fire on the roof, an inspection was made to determine the cause of the fire. It was determined that 11 of the 22 units were in need of replacement. McQuay will replace the units under the Authority's warranty, which covers parts only. This warranty was established under the original contract to build the Harvard Bus Garage. The labor and required materials are necessary to complete the replacement of the units. Replacing the units prior to the end of the warranty will save the Authority approximately \$201,725.00. Another unsafe situation can be avoided by replacing the defective units. McQuay is the original equipment manufacturer and will replace the actual units under the existing product warranty with the Authority.

3.0 PROCUREMENT BACKGROUND: This procurement has been determined a sole source procurement as authorized by Section 306.43(H)(2) of the Ohio Revised Code. McQuay holds the exclusive rights to this product under their warranty. The Procurement Department requested and received a proposal from McQuay for \$69,725.00 for the installation of eleven heat exchangers. McQuay has agreed to replace the eleven defective heat exchangers under the Product Warranty. McQuay provided a unit price breakdown in order for the Authority to determine reasonability of price through cost analysis.

A cost/price analysis was performed and the Procurement Department has determined the negotiated offer to be fair and reasonable to the Authority.

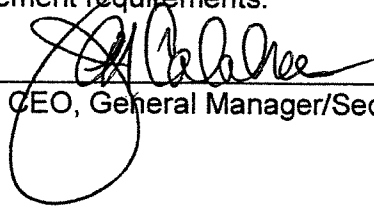
4.0 DBE/AFFIRMATIVE ACTION BACKGROUND: Due to the nature of this procurement, the Office of Business Development did not receive the information necessary to complete the Affirmative Action review in a timely manner. The results of the Affirmative Action evaluation will be provided prior to contract award. A 0% DBE goal was established for this procurement due to the specialization of the labor required.

5.0 POLICY IMPACT: Does not apply.

6.0 ECONOMIC IMPACT: This procurement will be payable from the RTA Capital Fund, Project Development and Engineering Department Budget, in the amount of sixty nine thousand seven hundred twenty five & 00/100 dollars (\$69,725.00).

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer may potentially cause an unsafe environment at the Harvard District.
- 8.0 RECOMMENDATION: It is recommended that the offer of McQuay Service be accepted and the resolution passed authorizing the General Manager 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.



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CEO, General Manager/Secretary-Treasurer