

RESOLUTION 2004- 147

AUTHORIZING CONTRACT NO. 2004-082 WITH SOVEREIGN INDUSTRIES, INC., FOR THE FURNISHING OF CHEMICAL ICE MELTER, AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR AT A PRICE NOT TO EXCEED \$47,755.50 WITH A ONE (1) YEAR OPTION AT A PRICE NOT TO EXCEED \$47,755.50 FOR A TOTAL CONTRACT PRICE NOT TO EXCEED \$95,511.00 (GENERAL FUND - FLEET MANAGEMENT DEPARTMENT BUDGET).

WHEREAS, the Authority has a need for ice melter to be used in the removal of ice and snow from Authority property; and

WHEREAS, the bid of Sovereign Industries, Inc. located at 23432 Lakeshore Blvd., Euclid, OH 44132 for the furnishing of chemical ice melter, as required, for a period of one (1) year with a one (1) year option was received on October 28, 2004; and

WHEREAS, said bid was the only responsive bid received in response to the solicitation; and

WHEREAS, Section 306.43 (C) of the Ohio Revised Code provides that when only one responsive bid from a responsible bidder is received, the Authority may negotiate price with said bidder; and

WHEREAS, after negotiations, a price not to exceed \$47,755.50 for a period of one (1) year with a one (1) year option at a price not to exceed \$47,755.50 for a total contract price not to exceed \$95,511.00 was agreed upon based on the contract requirements; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Sovereign Industries Inc., to be in the best interest of the Authority 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 Sovereign Industries Inc., for the furnishing of chemical ice melter, as required, for a period of one (1) year with a one (1) year option be and the same is hereby accepted as a 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 Sovereign Industries, Inc. for the furnishing of chemical ice melter, as required, for a period of one (1) year with the right to exercise the one (1) additional year option, as specified.

Section 3. That said contract shall be payable from the General Fund - Fleet Management Department budget at a price not to exceed forty-seven thousand seven hundred fifty-five & 50/100 dollars (\$47,755.50) for a period of one (1) year with a one (1) year option at a price not to exceed forty-seven thousand seven hundred fifty-five & 50/100 dollars (\$47,755.50) for a total contract price not to exceed ninety-five thousand five hundred eleven & 00/100 dollars (\$95,511.00).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in resolution 2004-112; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Sovereign Industries, Inc will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: November 16, 2004

  
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President

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



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

F-3

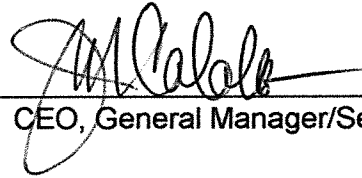
<b>TITLE/DESCRIPTION:</b> AUTHORIZING CONTRACT NO. 2004-082 WITH SOVEREIGN INDUSTRIES, INC., FOR THE FURNISHING OF CHEMICAL ICE MELTER, AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR AT A PRICE NOT TO EXCEED \$47,755.50 WITH A ONE (1) YEAR OPTION AT A PRICE NOT TO EXCEED \$47,755.50 FOR A TOTAL CONTRACT PRICE NOT TO EXCEED \$95,511.00 (GENERAL FUND - FLEET MANAGEMENT DEPARTMENT BUDGET).	<b>Resolution No.:</b> 2004- 147
	<b>Date:</b> November 11, 2004
	<b>Initiator:</b> Fleet Management Department
<b>ACTION REQUEST:</b> <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 one (1) year requirements contract with a one (1) year option for chemical ice melter.
- 2.0 **DESCRIPTION/JUSTIFICATION:** This is a recurring procurement for ice melter to be used in the removal of ice and snow from the platforms, steps and sidewalks of the Authority facilities.
- 3.0 **PROCUREMENT BACKGROUND:** This solicitation was advertised and available for prospective bidders from the GCRTA web site. Notifications were also sent to a total of nine (9) prospective bidders. Bids were opened on October 28, 2004.  
  
 The Ohio Revised Code Section 306.43(C) provides that in the case of a single bid being received, the Authority may negotiate the bid price with the vendor. Negotiations with Sovereign Industries, Inc. did not reduce their bid price. Sovereign Industries has been determined by the Procurement Department to be a responsive bid from a responsible bidder.  
  
 A price analysis has been performed and the Procurement Department has determined the price to be fair and reasonable to the Authority.
- 4.0 **AFFIRMATIVE ACTION/DBE 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 procurement will be payable from the General Fund - Fleet Management Department budget at a price not to exceed forty-seven thousand seven hundred fifty-five & 50/100 dollars for a period of one (1) year with a one (1) year option at a price not to exceed forty-seven thousand seven hundred fifty-five & 50/100 dollars for a total contract price not to exceed ninety-five thousand five hundred eleven & 00/100 dollars (\$95,511.00). The bid of Sovereign Industries Inc. is twenty-five percent (25%) below the budgeted estimate.
- 7.0 **ALTERNATIVES:** Reject all bids. Rejection of this bid would delay the procurement of chemical ice melter. This could endanger the safety of our customers and employees and expose the Authority to additional liability due to increased injuries at RTA facilities in the winter months.

8.0 RECOMMENDATION: It is recommended that the bid of Sovereign Industries, Inc. be accepted and the resolution passed authorizing the 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.



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CEO, General Manager/Secretary-Treasurer