

RESOLUTION NO. 2005- 104

AUTHORIZING CONTRACT NO. 2005-055 WITH ORX COMPANY FOR THE FURNISHING OF 300 HRV STEEL WHEELS FOR THE TOKYU FLEET, AS SPECIFIED, AT A PRICE OF \$234,900.00 (GENERAL FUND - FLEET MANAGEMENT DEPARTMENT BUDGET).

WHEREAS, the Authority requires replacement steel wheels for the performance of the revenue rail fleet; and

WHEREAS, the single bid of ORX Company for the furnishing of the 300, 28" steel wheels, as specified, was received on July 13, 2005; and

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

WHEREAS, Section 306.43(B) of the Ohio Revised Code provides that when less than two responsive bids are received from responsible bidders, a regional transit authority may negotiate a price with the sole responsive bidder; and

WHEREAS, after negotiations, an amount of two hundred forty-three thousand nine hundred and 00/100 dollars (\$243,900.00) was accepted based on the contract requirements and unit prices bid for the furnishing of 300, 28" steel wheels for the Authority's HRV fleet; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of ORX Company 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 offer of ORX Company to provide 300 steel wheels for the HRV fleet 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 Company for the furnishing of 300 steel wheels for the HRV fleet, as specified.

Section 3. That said contract shall be paid out of the General Fund, Fleet Management Department Budget in an amount of two hundred forty-three thousand nine hundred & 00/100 dollars (\$243,900.00).

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 thereto, if any, the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2005-51; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

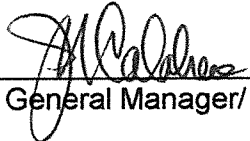
Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that ORX Company will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

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

Adopted: August 23, 2005



President

Attest: 

CEO, General Manager/ Secretary-Treasurer



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TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2005-055 WITH ORX COMPANY FOR THE FURNISHING OF 300 HRV STEEL WHEELS FOR THE TOKYU FLEET, AS SPECIFIED, AT A PRICE OF \$234,900.00 (GENERAL FUND - FLEET MANAGEMENT DEPARTMENT BUDGET).	Resolution No.: 2005-104
	Date: August 18, 2005
	Initiator: Fleet Management 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 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". While 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 diameter that a wheel can be ground down to is 26". After that, it must be replaced. This procedure provides less wear on the gearboxes and other mechanical parts of the fleet, as well as, providing a smoother and safer ride for our customers. The current lead time for these wheels is four to six months.
- 3.0 PROCUREMENT BACKGROUND: The solicitation was posted on the Procurement web site and advertised in the local newspapers. Five (5) bid packages were downloaded from the web site for the solicitation. One responsive and responsible bid was received on July 13, 2005. A survey of prospective bidders was conducted by the Procurement Department, which indicated other vendors were unable to bid competitively for the wheels at this time. The one bid received was as follows:

<u>Company</u>	<u>Per Wheel</u>	<u>Total Cost</u>
ORX Company One Park Avenue Tipton, PA 16684	\$783.00	\$234,900.00

The Ohio Revised Code Section 306.43(B) provides that in the case of a single bid being received, the Authority may negotiate price with the sole responsive bidder. Negotiations failed to achieve a price reduction from ORX Company. A price analysis has been performed and the bid of ORX Company has been determined by the Procurement Department to be fair and reasonable to the Authority for the materials, as specified.

- 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 certified DBE firms.
- 5.0 POLICY IMPACT: Does not apply.

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- 6.0 ECONOMIC IMPACT: This contract shall be payable from the General Fund, Fleet Management Department budget, in the amount of two hundred forty-three thousand nine hundred & 00/100 dollars (\$243,900.00).
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this bid 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 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 Company 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.



CEO, General Manager/Secretary-Treasurer