

RESOLUTION NO. 2006-23

AUTHORIZING CONTRACT NO. 2005-159 WITH PENN MACHINE COMPANY FOR THREE HUNDRED STEEL WHEELS AND RESILIENT DISCS FOR THE LRV FLEET AT A TOTAL PRICE OF \$517,200.00 (RTA DEVELOPMENT FUND - RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, The Authority requires the replacement of 300 steel wheels and resilient discs for the Breda LRV fleet as part of its regular maintenance program; and

WHEREAS, the bid of Penn Machine Company located at 106 Station Street, Johnstown, PA 15905 for three hundred 28" steel wheels and resilient discs was received on January 20, 2006 for the unit prices set forth in said bid, at a total price of \$517,200.00; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Penn Machine Company 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 Penn Machine Company for 300 steel wheels and the required resilient discs 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 Penn Machine Company for 300 steel wheels and resilient discs.

Section 3. That said contract shall be payable from the RTA Development Fund, Rail District Department budget, Capital Grant OH-03-0226 at a total price of \$517,200.00 (\$413,760 in Federal funds which represents 80% of the total cost).

Section 4. That said contract shall be binding upon and 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 2005-051; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Penn Machine 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: _____, 2006 _____
President

Attest: _____
CEO, General Manager/ Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2005-159 WITH PENN MACHINE COMPANY FOR THREE HUNDRED STEEL WHEELS AND RESILIENT DISCS FOR THE LRV FLEET AT A TOTAL PRICE OF \$517,200.00 (DEVELOPMENT FUND – RAIL DISTRICT DEPARTMENT BUDGET)	Resolution No.: 2006-23
	Date: February 16, 2006
	Initiator: Rail District Department
ACTION REQUEST: <input type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 PURPOSE/SCOPE: This resolution will allow the Authority to enter into a contract with Penn Machine Company for the furnishing of three hundred 28" steel wheels and resilient discs for the Breda LRV Fleet.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority uses the wheels with resilient discs on the Authority's Breda Light Rail Vehicle (LRV) fleet to reduce shock, noise and wear, as well as, to provide a smoother ride for the Authority's customers. As part of the regular maintenance program, these wheels are periodically machined to the proper thread profile and once they fall below 26", they can no longer be machined and must be replaced. The resilient discs require replacement when either a new wheel is installed or when aging occurs caused by heat and other factors. Wheels that are out of tolerance or excessively worn can cause unnecessary wear to gearboxes, traction motors, brakes and cause problems when coupling the vehicles.
- 3.0 PROCUREMENT BACKGROUND: The solicitation was posted on the procurement web site and advertised in the required local newspapers. Eleven potential bidders downloaded the package and three bids were received on January 19, 2006 as follows:

<u>Company</u>	<u>Price/Unit</u>	<u>Total</u>
Penn Machine 106 Station Street Johnstown, PA 15905	\$1,724.00	\$517,200.00
Hall Industries 514 Mecklem Lane Ellwood City, PA 16117	\$1,898.00	\$569,400.00
ORX One Park Avenue Tipton, PA 16684	\$2,122.00	\$636,600.00

This unit price is approximately 10% above the previous unit price of \$1,545.00 paid in 2003 for the same quantity of steel wheels.

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 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement. Penn Machine Company has committed to exceed the goal through the utilization of the following DBE firm(s):

DBE(s) Name/Address	DBE Category	Scope of Work	Amount	Percent
Langley Traffic Service Trevose. PA.	Caucasian Female	Freight Hauler	\$2,400.00	0.5%
		Total DBE Participation:	\$2,400.00	0.5%

5.0 POLICY IMPACT: Does not apply

6.0 ECONOMIC IMPACT: The procurement will be funded from the RTA Development Fund, Rail District Department budget, Capital Grant OH-03-0226, Line item 12.12.40, at a total price of \$517,200.00 (\$413,760 in Federal funds which represents 80% of the total cost).

7.0 ALTERNATIVES: Reject this offer. Rejection of this offer will delay the procurement of 300 steel wheels and resilient discs and risk not having these parts available to meet the needs of the Authority in a timely fashion. This could affect the safety of employees and customers and the integrity of the Breda LRV fleet.

8.0 RECOMMENDATION: It is recommended that the offer of Penn Machine Company be accepted and the resolution be 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