

RESOLUTION NO. 2006-25

AUTHORIZING CONTRACT NO. 2005-163 WITH W. W. WILLIAMS MIDWEST INC., FOR THE FURNISHING OF DETROIT DIESEL SERIES 50EGR ENGINES AND SPARE ENGINE PARTS, AS REQUIRED, FOR A TWO-YEAR PERIOD IN AN AMOUNT NOT TO EXCEED \$948,898.10 (RTA DEVELOPMENT FUND - FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority requires the replacement and repair of engines on the Authority's transit vehicles; and

WHEREAS, the bid of W.W. Williams Midwest Inc., with offices located at 1176 Industrial Parkway, Brunswick, OH 44212 was received on February 9, 2006 for the furnishing of Detroit Diesel Series 50EGR Engines and spare engine parts, as required, for a two-year period; and

WHEREAS, said bid was the only responsive bid from a responsible bidder received in response to the solicitation; and

WHEREAS, in accordance with Ohio Revised Code Section 306.43(B), when fewer than two responsive bids are received, a regional transit authority may negotiate a price with the sole responsive bidder; and

WHEREAS, after negotiations, a total price of nine hundred forty-eight thousand eight hundred ninety-eight & 10/100 dollars (\$948,898.10) was agreed upon; and

WHEREAS, the General Manager/Secretary-Treasurer deems acceptance of the bid of W. W. Williams Midwest Inc., as negotiated, to be in the best interest of the Authority and recommends acceptance thereof.

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 W. W. Williams Midwest Inc., as negotiated, for the furnishing of Series 50EGR Engines and spare engine parts, as required, for a period of two years be and the same is hereby accepted as in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with W. W. Williams Midwest Inc., for the furnishing of Detroit Diesel Series 50EGR Engines and spare engine parts.

Section 3. That said contract shall be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to Capital Grant OH-90-X466 in an amount not to exceed \$948,898.10 for a two-year period. (\$759,118.48 in Federal funds which represents 80% of the total cost).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years, compliance by the contractor to the Specifications and Addenda, 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 Transit Authority's Board of Trustees expects that W. W. Williams Midwest Inc. will attempt to exceed the 0% 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



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|---|---|
| TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2005-163 WITH W. W. WILLIAMS MIDWEST INC., FOR THE FURNISHING OF DETROIT DIESEL SERIES 50EGR ENGINES AND SPARE ENGINE PARTS, AS REQUIRED, FOR A TWO-YEAR PERIOD IN AN AMOUNT NOT TO EXCEED \$948,898.10 (RTA DEVELOPMENT FUND - FLEET MANAGEMENT DEPARTMENT BUDGET) | Resolution No.: 2006-25 |
| | Date: February 16, 2006 |
| | Initiator: Fleet Management Department |
| 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 to provide Detroit Diesel Series 50EGR Engines and spare engine parts, as required, for a period of two years.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has an on going need to replace and repair Series 50EGR Engines on its revenue vehicles.
- 3.0 **PROCUREMENT BACKGROUND:** The solicitation was posted on the procurement web site and advertised in the local newspapers. One bid was received as found on Attachment A, entitled Price Sheet.

 Ohio Revised Code Section 306.43(B) states that when fewer than two responsive bids are received, a regional transit authority may negotiate a price with the sole responsive bidder.

 A market survey was conducted to determine why prospective bidders did not respond to the solicitation. Those that responded to the survey indicated they could not be competitive with the local OEM distributor.

 A cost analysis has been performed and the Procurement Department has determined that the negotiated price is 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 certified DBE firms.
- 5.0 **POLICY IMPACT:** Does not apply
- 6.0 **ECONOMIC IMPACT:** This procurement will be payable from the RTA Development Fund, Fleet Management Department budget, including but not limited to Capital Grant OH-90-X466, Line Item 11.12.40 in an amount not to exceed \$948,898.10 (\$759,118.48 in Federal funds which represents 80% of the total cost). The negotiated price is 4% below the budget estimate.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would delay the replacement and repair of the Authorities revenue vehicles with Detroit Diesel Series 50EGR engines and risk potential accidents and service disruptions.
- 8.0 RECOMMENDATION: It is recommended that the offer of W. W. Williams Midwest Inc., as negotiated, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENTS: Attachment "A" - Price Sheet.

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

CEO, General Manager/Secretary-Treasurer

**ATTACHMENT A
PRICING SHEET FOR IFB # 2005-163
DETROIT DIESEL SERIES 50 EGR ENGINES AND SPARE PARTS**

| QUANTITY | DESCRIPTION | UNIT PRICE | EXTENDED PRICE |
|-----------------|---|-------------------|-----------------------|
| 10 ea. | 10 Detroit Diesel S-50 EGR Reliablilt® engines with a one-year warranty (without exchange cores). | \$17,780.00 | \$177,800.00 |
| 10 ea. | P/N E23528831 (CNG) Detroit Diesel S50GTurbochargers (Core Exchange). | \$2,585.00 | \$25,850.00 |
| 30 ea. | Up to 30-Detroit Diesel S-50 EGR Reliablilt® turbo chargers with exchange cores and a one-year warranty. | \$1,675.00 | \$50,250.00 |
| 2 ea. | Core charge for up to (2) two of the engines if engine teardown reveals non-rebuildable cores. | \$8,000.00 | \$16,000.00 |
| 5 ea. | 5 Detroit Diesel S-50 EGR Reliablilt® engines with a one-year warranty with exchange cores. This will provide GCRTA with replacement engines that exhibit no outward signs of core part damage. | \$14,025.00 | \$70,125.00 |
| 20 ea. | Up to 20-Detroit Diesel S-50 EGR Reliablilt® Balance Shaft assemblies with exchange cores and a one-year warranty. | \$1,089.00 | \$21,780.00 |
| 5 ea. | 5-Detroit Diesel S-50 EGR Reliablilt® ¾ engines with exchange cores and a one-year warranty | \$11,099.00 | \$55,495.00 |
| 10 ea. | Electrical Connector Kits for S50EGR Engine | \$559.81 | \$5,598.10 |
| Up to 2 ea. | Purchase core charge for up to (2) two of the ¾ engines if engine teardown reveals non-rebuildable cores. | \$6,000.00 | \$12,000.00 |
| 60 ea. | Purchase 60-Detroit Diesel S-50 EGR in-cradle overhaul engine rebuild kits with exchange cores to rebuild engines that have reached their expected life and exhibit no signs of engine block failure. We expect to use approximately 30 per year for the next 2 years). | \$7,450.00 | \$447,000.00 |

| QUANTITY | DESCRIPTION | UNIT PRICE | EXTENDED PRICE |
|-----------------|---|-------------------|-----------------------|
| 10 ea. | Up to 10 each unacceptable core charges for components related to in-cradle overhaul engine rebuild kits. | \$2,500.00 | \$25,000.00 |
| 50 sets. | Fuel Injector Kits P/N R23535970 | \$840.00 | \$42,000.00 |
| | | TOTAL | \$948,898.10 |