

RESOLUTION NO. 2006-85

AUTHORIZING SOLE SOURCE CONTRACT NO. 2006-055 WITH W. W. WILLIAMS MIDWEST INC., FOR THE LABOR TO REPLACE THE DETROIT DIESEL SERIES 50 EGR ENGINE TURBOCHARGER(S), AS REQUIRED, IN AN AMOUNT NOT TO EXCEED \$225,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority uses the Detroit Diesel Series 50 EGR engine in 224 NABI buses (2200/2300/2400/2500); and

WHEREAS, the Greater Cleveland Regional Transit Authority is experiencing failures of turbochargers and other related engine components on the Detroit Diesel Series 50 EGR engines; and

WHEREAS, Detroit Diesel has offered to replace the turbocharger and related engine components, if necessary, at no cost to the Authority; and

WHEREAS, W.W. Williams Midwest Inc., as directed by Detroit Diesel, is the only firm authorized to provide the labor to replace said parts; and

WHEREAS, Section 306.43(H)(2) of the Ohio Revised Code provides that competitive bidding is not required when a regional transit authority, after reasonable inquiry, determines that only one source of supply is reasonably available; and

WHEREAS, after negotiations, an amount not to exceed two hundred twenty-five thousand & 00/100 dollars (\$225,000.00) for W.W. Williams Midwest Inc. to provide the labor to replace said turbochargers and other related engine components was agreed upon; and

WHEREAS, the General Manager/Secretary-Treasurer deems acceptance of the offer 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 labor to replace the Series 50 EGR Engine turbocharger and related engine components, as required, 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 labor to replace the Series 50EGR Engine turbocharger and related engine components, as required.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, in an amount not to exceed two hundred twenty-five thousand and 00/100 dollars (\$225,000.00).

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 2006-77; 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 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: May16, 2006

President

Attest: _____
CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: AUTHORIZING SOLE SOURCE CONTRACT NO. 2006-055 WITH W. W. WILLIAMS MIDWEST INC., FOR THE LABOR TO REPLACE THE DETROIT DIESEL SERIES 50 EGR ENGINE TURBOCHARGER(S), AS REQUIRED, IN AN AMOUNT NOT TO EXCEED \$225,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2006-85
	Date: May 11, 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 replace the Detroit Diesel Series 50 EGR Engine turbocharger(s), as required.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority is experiencing failures of turbochargers and other related engine components on the Detroit Diesel Series 50 EGR engines. The Detroit Diesel Series 50 EGR engine is in the Authority's fleet of 224 buses (2200/2300/2400/2500) NABI fleet.
- 3.0 PROCUREMENT BACKGROUND: The Authority has negotiated with Detroit Diesel and W.W. Williams Midwest, Inc. to replace the turbocharger and related components. The replacement of the turbocharger and related components is contingent upon W.W. Williams Midwest, Inc. performing the work as directed by Detroit Diesel. Detroit Diesel will provide the turbocharger and related components at no charge. The Authority will be charged by W.W. Williams Midwest Inc., for the labor to replace the turbocharger and related components. The cost of a turbocharger for the Series 50 EGR engine is \$1,800.00. The negotiated labor cost for the replacement of each turbocharger and related components, as required, will be approximately \$1,000.00 resulting in a total contract amount estimated not to exceed \$225,000.00 for the 224 NABI coaches.

 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 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, in an amount not to exceed two hundred twenty-five thousand and 00/100 dollars (\$225,000.00). 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 50 EGR 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: None.

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

CEO, General Manager/Secretary-Treasurer