

**RESOLUTION NO. 2007-26**

**AUTHORIZING CONTRACT NO. 2007- 003 WITH PREVOST CAR, DIVISION OF PREVOST CAR (U.S.), INC., TO FURNISH REAR AXLE SUBASSEMBLIES, AS SPECIFIED, AT A TOTAL PRICE NOT TO EXCEED \$95,059.00 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)**

**WHEREAS, the Authority has a need for rear axle subassemblies for the Nova LFS (9900/2100) low floor revenue vehicle; and**

**WHEREAS, the offer of Prevost Car, Division of Prevost Car (U.S.), Inc., located at 2200 Point Blvd., Suite 100, Elgin, IL 60123, for the furnishing of rear axle subassemblies, as specified for use on the Authority's revenue vehicles was received on January 23, 2007; and**

**WHEREAS, after negotiations, Prevost Car, Division of Prevost Car (U.S.), Inc., agreed to provide rear axle subassemblies, as specified, at a not to exceed price of ninety-five thousand fifty-nine & 00/100 dollars (\$95,059.00); 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, Prevost Car, Division of Prevost Car (U.S.), Inc., is the only known source available to furnish rear axle subassemblies for the Nova LFS coach; and**

**WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Prevost Car, Division of Prevost Car (U.S.), Inc., as negotiated, to be fair and reasonable to 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 Prevost Car, Division of Prevost Car (U.S.), Inc., as negotiated, for the furnishing of rear axle subassemblies, as specified, be accepted.**

**Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Prevost Car, Division of Prevost Car (U.S.), Inc., for the furnishing of rear axle subassemblies, as specified.**

**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-X531 at a total price not to exceed \$95,059.00 (\$76,047.20 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, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2006-077; 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 Prevost Car, Division of Prevost Car (U.S.), 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: February 20, 2007

  
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President

Attest:   
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CEO, General Manager/Secretary-Treasurer



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

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2007- 003 WITH PREVOST CAR, DIVISION OF PREVOST CAR (U.S.), INC., TO FURNISH REAR AXLE SUBASSEMBLIES, AS SPECIFIED, AT A TOTAL PRICE NOT TO EXCEED \$95,059.00 (RTA DEVELOPMENT FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2007-26
	Date: February 15, 2007
	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 with Prevost Car, Division of Prevost Car (U.S.), Inc., for the furnishing of rear axle subassemblies, as specified.
- 2.0 DESCRIPTION/JUSTIFICATION: The rear axle sub-assemblies will be used to rebuild failed units on the Nova LFS (9900/2100) fleet of low floor buses.
- 3.0 PROCUREMENT BACKGROUND: This equipment is proprietary to Nova .Prevost Car, Division of Prevost Car (U.S.), Inc. is the sole authorized distributor of Nova components.

Ohio Revised Code Section 306.43(H)(2) allows for award of a sole source contract based upon a determination by the Board of Trustees, an officer or an employee of the Authority that there is only one source reasonably available for these items. A breakdown of the assembly purchase is as follows:

Quantity	Description	Unit Price	Total
7 ea.	Rear Axle Center Section	\$ 7,625.00	\$53,375.00
7 ea.	Core for Center Section	\$ 625.00	\$ 4,375.00
2 ea.	RH Gear Case Assembly	\$ 9,327.25	\$ 18,654.50
2 ea.	LH Gear Case Assembly	\$ 9,327.25	\$ 18,654.50

The unit cost of the right and left hand gear casing assembly has increased 23% in the past 15 months. The Nova LFS (9900/2100) fleet utilizes an inverted portal axle (IPA) type configuration. The IPA axle configuration is unique to this fleet of Nova Low Floors Buses and is no longer in production. Negotiations with Prevost Car resulted in a 3% price reduction.

A 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 due to the lack of subcontracting opportunity.
- 5.0 POLICY IMPACT: Does not apply.

- 6.0 **ECONOMIC IMPACT:** This procurement will be funded through the RTA Development Fund, Fleet Management Department budget, including but not limited to Capital Grant OH-90-X531, line item 11.12.40 at a total price not to exceed \$95,059.00 (\$76,047.20 in Federal funds which represents 80% of the total cost). The negotiated price is 20% above the budget estimate.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would affect the quality of service and safety of the vehicle.
- 8.0 **RECOMMENDATION:** It is recommended that the offer of Prevost Car, Division of Prevost Car (U.S.), 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.

  
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CEO, General Manager/Secretary-Treasurer