

RESOLUTION NO. 2008-130

AUTHORIZING CONTRACT NO. 2008-146 WITH GENUINE PARTS COMPANY TO PROVIDE MATERIAL MANAGEMENT SERVICES FOR THE PARATRANSIT PURCHASED PARTS INVENTORY STORES FOR A PERIOD OF THREE YEARS AT A PROJECTED AMOUNT NOT TO EXCEED \$1,620,000.00 WITH TWO, ONE-YEAR OPTIONS AT A PROJECTED AMOUNT NOT TO EXCEED \$575,000.00 PER YEAR FOR A PROJECTED TOTAL CONTRACT AMOUNT NOT TO EXCEED \$2,770,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority has a need to institute a cost effective materials management program for the Paratransit Facility's Purchased Parts Inventory Store; and

WHEREAS, the offer of Genuine Parts Company, with offices at 2999 Circle 75 Parkway, Atlanta, Georgia 30339 to provide material management services for the Paratransit Purchased Parts Inventory Stores was received on July 10, 2008; and

WHEREAS, Genuine Parts Company has offered to provide said services for a period of three years at a projected amount of one-million six hundred twenty thousand & 00/100 dollars (\$1,620,000.00) with two, one-year options at a projected amount not to exceed five hundred seventy-five thousand & 00/100 dollars (\$575,000) per year for a projected total contract amount not to exceed two million seven hundred seventy thousand & 00/100 dollars (\$2,770,000.00); and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Genuine Parts Company as negotiated, to be advantageous to the Authority, cost and other factors considered, 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 Genuine Parts Company, as negotiated to provide material management services for the Paratransit Purchased Parts Inventory Stores be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer be and he hereby is authorized to enter into a contract with Genuine Parts Company to provide material management services for the Paratransit Purchased Parts Inventory Stores for a period of three years with the authority to exercise two, one-year options.

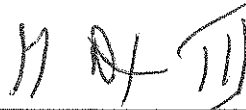
Section 3. That said contract shall be payable out of the General Fund, Fleet Management Department budget, for a period of three years at a projected amount not to exceed one million six hundred twenty thousand & 00/100 dollars (\$1,620,000.00) with two, one-year options at a projected amount not to exceed five hundred seventy-five thousand & 00/100 dollars (\$575,000.00) per year for a projected total contract amount not to exceed two million seven hundred seventy thousand & 00/100 dollars (\$2,770,000.00).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2008-061; bonding and insurance requirements and all applicable laws relating to the contractual obligation of the Authority.

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

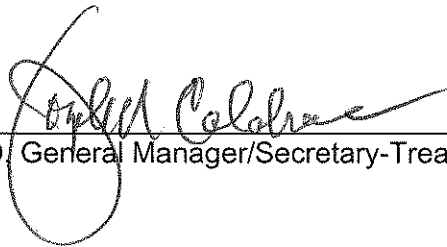
Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: September 23, 2008



President

Attest:



CEO General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2008-146 WITH GENUINE PARTS COMPANY TO PROVIDE MATERIAL MANAGEMENT SERVICES FOR THE PARATRANSIT PURCHASED PARTS INVENTORY STORES FOR A PERIOD OF THREE YEARS AT A PROJECTED AMOUNT NOT TO EXCEED \$1,620,000.00 WITH TWO, ONE-YEAR OPTIONS AT A PROJECTED AMOUNT NOT TO EXCEED \$575,000.00 PER YEAR FOR A PROJECTED TOTAL CONTRACT AMOUNT NOT TO EXCEED \$2,770,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2008-130
	Date: September 18, 2008
	Initiator: Fleet Management
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 materials management services for the Paratransit Facility's Purchased Parts Inventory Store.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority needs to improve the materials management process including; re-order inventory points, cost of purchased parts, obsolete inventory and part distribution of inventory and non-inventory parts for vehicle maintenance requirements at the Paratransit Facility Garage.
- 3.0 **PROCUREMENT BACKGROUND:** The Request for Proposal was posted on the GCRTA web site and advertised in the local newspapers. Twenty (20) vendors downloaded the RFP. One proposal was received on July 10, 2008. After evaluation by a panel of Authority employees in accordance with established Procurement Policies and Procedures, and subsequent negotiations, the proposal of Genuine Parts Company was selected to be the most advantageous to the Authority. Genuine Parts Company has over 250 clients comprised of school districts, municipalities, counties, state government and private industrial fleets for which they provide a similar materials management service. The Automotive Parts Group is the largest division of Genuine Parts Company with over 58 distribution centers serving 5,800 NAPA Auto Parts Stores, including several in the Greater Cleveland area, and 5 automotive rebuild plants throughout the United States.

 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 lack of certified DBE firms.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** The contract will be funded through the General Fund, Fleet Management Department budget, for a period of three years at a projected amount not to exceed one million six hundred twenty thousand & 00/100 dollars (\$1,620,000.00) with two, one-year options at a projected amount not to exceed five hundred seventy-five thousand & 00/100 dollars (\$575,000.00) per year for a projected total contract amount not to exceed two million seven hundred seventy thousand & 00/100 dollars (\$2,770,000.00). This is within the budgeted amount for this purchase.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of the offer would result in the continued inefficient operation of inventory and non-inventory purchased parts at the Facility.
- 8.0 RECOMMENDATION: This contract was reviewed by the Finance Committee at their September 9, 2008 meeting and recommended for approval by the Board of Trustees. It is recommended that the negotiated offer of Genuine Parts 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