RESOLUTION NO. 2011-58

AUTHORIZING CONTRACT NO. 2011-062 WITH DEFEO MANUFACTURING INC., FOR THE FURNISHING OF TRANSMISSION MASTER OVERHAUL KITS, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF TWO YEARS IN AN AMOUNT NOT TO EXCEED \$537,597.90 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority has a need to repair and replace worn Allison B400R transmissions and transmission components on the Authority's transit vehicles; and

WHEREAS, the Authority has determined it to be cost effective to procure overhaul repair kits in lieu of replacing the compete transmission; and

WHEREAS, the bid of Defeo Manufacturing Inc., with offices located at 115 Commerce Drive, Brookfield, CT 06804 was received on June 3, 2011 for the furnishing of 105 Transmission Overhaul Kits, as specified and as required, for a period of two years; and

WHEREAS, said bid was the lowest responsive and responsible bid received in response to the solicitation; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Defeo Manufacturing Inc., to be a responsive bid from a responsible bidder for the furnishing of 105 Transmission Overhaul Kits, as specified and as required, for a period of two years.

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 Defeo Manufacturing Inc., for the furnishing of 105 Transmission Master Overhaul Kits, as specified and as required, for a period of two years be and the same is hereby accepted.
- Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Defeo Manufacturing Inc., for the furnishing of Transmission Master Overhaul Kits, as specified and as required, for a period of two years.
- Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, in an amount not exceed five hundred thirty-seven thousand five hundred ninety-seven & 90/100 dollars (\$537,597.90) for a period of two years.
- Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds 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 2011-034; 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 Defeo Manufacturing 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: July 12, 2011

Attest: CEO, General Manager/Secretary-Treasurer

Form 100-326 07-03-97



Greater Cleveland Regional Transit Authority STAFF SUMMARY AND COMMENTS

TITLE/DESCRI CONTRACT:	Resolution No.: 2011-58		
VENDOR:	PERIOD OF TWO YEARS DEFEO MANUFACTURING INC	Date: July 7, 2011	
AMOUNT:	\$537,597.90 FOR A TWO YEAR PERIOD	Initiator: Fleet Management Department	
ACTION REQU	IEST: ☐ Review/Comment ☐ Information Only ☐ Other	4	

- 1.0 PURPOSE/SCOPE: This action will allow the Authority to enter into a contract for 105 Transmission Overhaul Kits, as specified and as required, for a period of two years.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority has an ongoing need to replace and repair Allison B400R Transmissions used on the Authority's revenue vehicles. It has been determined to be cost effective to purchase overhaul repair kits in lieu of replacing the complete transmission.
- 3.0 PROCUREMENT BACKGROUND: An Invitation for Bid was posted on the GCRTA website and advertised in the local newspapers. Three responsive and responsible bids were received in response to the solicitation as follows:

Vendor	Bid Price	Estimated Usage	Year 1	Total Cost
Defeo	\$2,559.99	105	\$268,798.95	\$537,597.90
W. W. Williams	\$2,612.00	105	\$274,260.00	\$548,520.00
Valley Ford	\$3,543.73	105	\$372,091.65	\$744,183.30

A price analysis has been performed and the Procurement Department has determined that the price submitted by Defeo Manufacturing for 105 Transmission Master Overhaul Kits at a unit price of \$2,559.99 for a total amount not to exceed \$537,597.90 for a period of two years 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 General Fund, Fleet Management Department budget in an amount not to exceed five hundred thirty-seven thousand five hundred ninety-seven & 90/100 dollars (\$537,597.90) for a period of two years. This is less than 1% below the budgeted amount for this purchase.
- 7.0 ALTERNATIVES: <u>Reject this offer</u>. Rejection of this offer would delay the replacement and repair of the Authority's revenue vehicles with B5400 transmissions.

- 8.0 RECOMMENDATION: It is recommended that the offer of Defeo Manufacturing, 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