

RESOLUTION NO. 2012-33

AUTHORIZING CONTRACT NO. 2012-26 WITH ORX FOR THE PURCHASE OF THREE HUNDRED STEEL WHEELS FOR THE LRV FLEET AT A TOTAL PRICE OF \$669,300.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority requires the replacement of three hundred steel wheels for the Breda Light Rail Vehicle (LRV) fleet as part of its regular maintenance program; and

WHEREAS, the bid of ORX, located at One Park Avenue, Tipton, PA 16684, for the purchase of three hundred 28" steel wheels and resilient discs was received on April 3, 2012 for the unit prices set forth in said bid, at a total price of \$669,300.00; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of ORX to be the lowest responsive bid from a responsible bidder 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 bid of ORX for the purchase of three hundred steel wheels be and the same is hereby accepted as the lowest responsive bid from a responsible bidder.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with ORX for said purchase.

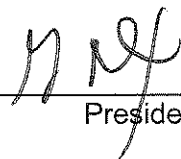
Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget at a total price of six hundred sixty-nine thousand three hundred and 00/100 dollars (\$669,300.00).

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 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 ORX 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: April 17, 2012



President

Attest: 

CEO, General Manager/ Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: 300 LRV STEEL WHEELS VENDOR: ORX AMOUNT: \$669,300.00	Resolution No.: 2012-33
	Date: April 12, 2012
	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 resolution will allow the Authority to enter into a contract for the furnishing of three hundred 28" steel wheels for the Breda Light Rail Vehicle (LRV) Fleet.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority uses the wheels with resilient discs on the Authority's Breda Light Rail Vehicle (LRV) fleet to reduce shock, noise and wear, as well as, to provide a smoother ride for the Authority's customers. As part of the regular maintenance program, these wheels are periodically machined to the proper thread profile and once they fall below 26", they can no longer be machined and must be replaced. Wheels that are out of tolerance or excessively worn can cause unnecessary wear to gearboxes, traction motors, brakes and cause problems when coupling the vehicles.
- 3.0 **PROCUREMENT BACKGROUND:** The solicitation was posted on the procurement web site and advertised in the required local newspapers. Eight (8) potential bidders downloaded the package and two (2) bids were received on April 3, 2012 as follows:

<u>Company</u>	<u>Price/Unit</u>	<u>Total</u>
ORX	\$2,231.00	\$669,300
Penn Machine Company	\$2,488.00	\$764,400

The unit price bid is approximately 29% higher than the previous unit price of \$1,724.00 paid in 2006 for the same quantity of steel wheels.

A cost/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 certified DBE firms.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** The procurement will be funded from the General Fund, Fleet Management Department budget at a total price of six hundred sixty-nine thousand three hundred and 00/100 dollars (\$669,300.00). This price is 9% above the estimate.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer will delay the procurement of three hundred steel wheels and risk not having these parts available to meet the needs of the Authority in a timely fashion.
- 8.0 RECOMMENDATION: It is recommended that the offer of ORX be accepted and the resolution be 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