

RESOLUTION NO. 2014-42

AUTHORIZING AN INCREASE TO CONTRACT NO. 2008-146 WITH GENUINE PARTS COMPANY TO PROVIDE ADDITIONAL MATERIAL MANAGEMENT SERVICES FOR THE PARATRANSIT PARTS INVENTORY STORES IN A PROJECTED AMOUNT NOT TO EXCEED \$420,000.00, FOR A PROJECTED TOTAL CONTRACT AMOUNT NOT TO EXCEED \$3,440,000.00 (GENERAL FUND, PARATRANSIT DEPARTMENT BUDGET)

WHEREAS, it has been determined to be in the best interest of the Authority to increase the authorized contract amount for providing material management services for the Paratransit Parts Inventory Store; and

WHEREAS, by Resolution 2008-130, the Board of Trustees authorized Contract No. 2008-146 in a projected amount not to exceed \$2,770,000.00 with Genuine Parts Company; and

WHEREAS, the General Manager/Secretary-Treasurer has issued a change order in the amount of \$250,000.00 based upon his change order authority pursuant to the Authority's Procurement Policies, for a total projected contract amount not to exceed \$3,020,000.00; and

WHEREAS, demand and cost of replacement parts have exceeded the authorized contract amount; and

WHEREAS, Genuine Parts Company has offered to provide these additional services in an amount not to exceed \$420,000.00 to meet projected contract requirements; and

WHEREAS, said increase will exceed the General Manager/Secretary-Treasurer's \$250,000.00 signing authority; and

WHEREAS, the General Manager/Secretary-Treasurer deems the acceptance of the offer from Genuine Parts Company to modify this contract to be in the best interest of the Authority.

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 from Genuine Parts Company to provide additional materials management services for the Paratransit Parts Inventory Store is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to increase Contract No. 2008-136 with Genuine Parts Company to provide additional materials management services for the Paratransit Parts Inventory Store.

Section 3. That said change order will be payable from the General Fund, Paratransit Department budget in an amount not to exceed \$420,000.00, for a total contract amount not to exceed \$3,440,000.00.

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, thereto, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2013-031; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That all other terms and conditions of the contract shall remain unchanged.

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

Adopted: May 20, 2014

  
\_\_\_\_\_  
-President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b>  <b>CONTRACT:</b> INCREASE TO CONTRACT NO. 2008-146 WITH GENUINE PARTS COMPANY TO PROVIDE ADDITIONAL MATERIAL MANAGEMENT SERVICES FOR THE PARATRANSIT PARTS INVENTORY STORES  <b>VENDOR:</b> GENUINE PARTS COMPANY  <b>AMOUNT:</b> NOT TO EXCEED \$ 420,000.00	<b>Resolution No.:</b> 2014-42
	<b>Date:</b> May 15, 2014
	<b>Initiator:</b> Paratransit Facility
<b>ACTION REQUEST:</b> <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 increase the contract amount of Contract No. 2008-146, to provide additional material management services for the Paratransit Parts Inventory Stores. This increase is required due to the higher than anticipated cost of maintaining an aging fleet.
- 2.0 **DESCRIPTION/JUSTIFICATION:** Projected contract cost was based on an average purchased parts cost and usage, and did not factor in the additional maintenance and repairs necessary to maintain an aging fleet. The additional funds are required to support maintenance and replacement parts of revenue and non-revenue vehicles serviced at the Paratransit Garage.
- 3.0 **PROCUREMENT BACKGROUND:** In September of 2008, the Board of Trustees by Resolution 2008-130 authorized award for the materials management services for the Paratransit Purchased Parts Inventory to Genuine Parts Company for a period of three (3) 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.

The General Manager/Secretary-Treasurer utilized his change order authority and increased the contract amount \$250,000.00, for a total projected contract amount of \$3,020,000.00.

The Paratransit parts inventory store services 80 revenue vehicles and 220 non-revenue vehicles. The non-revenue vehicles are composed of transit police vehicles, vans, light duty mid-sized and heavy duty trucks and specialty vehicles consisting of various makes, models, age and mileage.

A price analysis was performed comparing contract replacement parts to other suppliers' costs. The cost was determined to be fair and reasonable.

The Change Order Committee has reviewed the change order and recommends that the General Manager/Secretary-Treasurer approve this change order increase in the amount of \$420,000.00, for a total projected contract amount of \$3,440,000.00.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement in September 2008 due to the lack of certified DBE firms.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This increase shall be payable from the General Fund, Paratransit Department budget in an amount not to exceed \$420,000.00 resulting in a total contract amount not to exceed \$3,440,000.00.
- 7.0 ALTERNATIVES: Reject this change order. Rejection of this offer will impact the Authority's ability to continue to make repairs on non-inventory vehicles.
- 8.0 RECOMMENDATION: This change order was discussed by the Operations Committee at the May 13, 2014 meeting and recommended to the Board of Trustees for approval. It is recommended that the offer of Genuine Parts Company to provide additional services be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to modify the 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