RESOLUTION NO. 2016-60

AUTHORIZING CONTRACT NO. 2016-076 WITH D & W DIESEL, INC. FOR THE FURNISHING OF NEW DETROIT DIESEL SERIES 50 TURBOCHARGERS, AS REQUIRED, FOR A PERIOD OF TWO YEARS FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$599,500.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority needs to replace up to 250 Detroit Diesel Series 50 EGR turbochargers over a period of two years, as required; and

WHEREAS, the bid of D & W Diesel, Inc. with offices at 14201 Industrial Avenue South, Cleveland, OH 44137, for the furnishing of new Detroit Diesel Series 50 turbochargers, as required, for a period of two years, was received on July 26, 2016, in an amount not to exceed \$599,500.00; and

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

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the bid of D & W Diesel, Inc. to be a responsive bid from a responsible bidder for the furnishing of new turbochargers as required, for a period of two years 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 D & W Diesel, Inc. for the furnishing of up to 250 new Detroit Diesel Series 50 turbochargers, as required, be and the same is hereby accepted.
- Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with D & W Diesel, Inc. for the furnishing of new Detroit Diesel Series 50 turbochargers, as required, for a period of two years.
- Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, for a total contract amount not to exceed \$599,500.00 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 2015-076; 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 D & W Diesel, Inc. will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Resolution	No.	2016-60
Page 2		

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

Adopted: August 16, 2016

President

Attest:

CEO, General Manager/Secretary-Treasurer

Greater Cleveland Regional Transit Authority STAFF SUMMARY AND COMMENTS

CONTRACT: FURNISHING OF NEW DETROIT DIESEL SERIE. TURBOCHARGERS, AS REQUIRED	\(\sum_{\text{I}}\)	
TONDOCHANGENS, AS NEGOINED	Date:	
VENDOR: D & W DIESEL INC.	August 11, 2016	
AMOUNT: NTE \$599,500.00 FOR TWO-YEAR PERIOD	Initiator: Fleet Management Department	
ACTION REQUEST:		
☑ Approval □ Review/Comment □ Information Only □ Ot	ther	

- 1.0 PURPOSE/SCOPE: This action will allow the Authority to enter into a contract for the furnishing of up to 250 New Detroit Diesel Series 50 Turbochargers, as required, for a period of two years.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority has an on-going need to replace defective Detroit Diesel Series 50 turbochargers used on the 2200, 2300 and 2500 fleet of NABI buses. Replacement is required to ensure required horsepower of diesel engines.
- 3.0 PROCUREMENT BACKGROUND: The Invitation for Bid (IFB) was posted on the GCRTA Procurement web site and advertised in the local newspapers. Eleven interested parties downloaded the solicitation package. Four bids were received on July 26, 2016 as follows:

Supplier	Anticipated Usage For 2 yrs.	Unit Cost	Anticipated Cost For 2 yrs.
D & W Diesel	(125 yr 1) (125 yr 2) 250 Total	\$2,398.00	\$599,500.00
W.W. Williams	(125 yr 1) (125 yr 2) 250 Total	\$2,458.97	\$614,742.50
MCI	(125 yr 1) (125 yr 2) 250 Total	\$2,500.00	\$625,000.00
Kirks Automotive	(125 yr 1) (125 yr 2) 250 Total	\$4,017.00	\$1,004,250.00

The Basis of Award is the lowest responsive bid from a responsible bidder for the Total Bid. D&W Diesel Inc. was determined to be a responsive and responsible bidder. A price analysis has been performed and the Procurement Department has determined the price of D & W Diesel, Inc. 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: This procurement will be funded through the General Fund, Fleet Management Department budget, in an amount not to exceed \$599,500.00 for the two-year period. The contract award is approximately 6.5% below the budget estimate.
- 7.0 ALTERNATIVES: <u>Reject all bids</u>. Rejection of this offer could impact the timely repair/replacement of Series 50 turbochargers, which could impact service quality.

- 8.0 RECOMMENDATION: It is recommended that the bid of D & W Diesel, Inc. be accepted and the resolution passed authorizing the CEO, 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