

AUTHORIZING CONTRACT NO. 2002-155 WITH LTK ENGINEERING SERVICES, INC. TO PROVIDE FARE COLLECTION CONSULTING SERVICES, AS SPECIFIED, IN AN AMOUNT NOT TO EXCEED \$526,007.00 - (RTA DEVELOPMENT FUND, REVENUE DEPARTMENT BUDGET).

WHEREAS, the Authority has identified the need for consulting services to assist the Authority with the selection, installation and testing of a new fare collection system; and

WHEREAS, the offer of LTK Engineering Services, Inc. located at 100 West Butler Avenue, Ambler, PA 19002 to provide fare collection consulting services, as specified, was received on February 21, 2003; and

WHEREAS, after negotiations, a not to exceed amount of five hundred, twenty-six thousand, seven and 00/100 dollars (\$526,007.00) was agreed upon; and

WHEREAS, the General Manager deems the offer of LTK Engineering Services, Inc., after negotiations, to provide fare collection consulting services, to be advantageous to the Authority 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 offer of LTK Engineering Services, Inc., as modified by negotiations, to provide fare collection consulting services, be and the same is hereby accepted as to be in the best interest of the Authority.

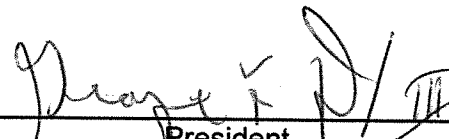
Section 2. That the General Manager of the Authority be and he is hereby authorized to enter into a contract with LTK Engineering Services, Inc. to provide fare collection consulting services, as specified.

Section 3. That said contract shall be payable from the RTA Development Fund, Revenue Department Budget, including but not limited to Capital Grant OH-90-X397, at a total amount not to exceed \$526,007.00 (\$188,858.00 in Federal Funds, which represent 36% of the total cost).

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 2002-120: bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: April 15, 2003

  
\_\_\_\_\_  
President

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



<b>Title/Description:</b> AUTHORIZING CONTRACT NO. 2002-155 WITH LTK ENGINEERING SERVICES, INC. TO PROVIDE FARE COLLECTION CONSULTING SERVICES, AS SPECIFIED, IN AN AMOUNT NOT TO EXCEED \$526,007.00 -- (RTA DEVELOPMENT FUND, REVENUE DEPARTMENT BUDGET).	<b>Resolution No.:</b> 2003-050
	<b>Date:</b> April 10, 2003
	<b>Initiator:</b> Revenue Department
<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 enter into a contract with LTK Engineering Services, Inc. to provide fare collection consulting services, as specified.

2.0 **DESCRIPTION/JUSTIFICATION:** The GCRTA must replace its fare collection equipment because it is obsolete and costly to maintain. The replacement fare collection system will be a major investment and must accommodate the GCRTA's needs for a minimum of 15 years. Therefore, the GCRTA staff must examine long-term fare collection requirements and potential fare policy changes. These potential changes may include a proof-of-payment system for the Euclid Corridor Transportation Project and perhaps the rail system. A consultant with expertise in fare policy and fare collection systems can assist the GCRTA staff with specification, selection and implementation of the best fare collection system for the Authority. The fare study scope will consist of four phases: 1) evaluation of alternatives, 2) implementation plan, 3) system specifications, and 4) assistance with procurement and oversight of system installation and training.

3.0 **PROCUREMENT BACKGROUND:** Proposals were received on February 21, 2003 for this solicitation. After evaluation by a panel of Authority employees in accordance with established Procurement Policies and Procedures and negotiations, the proposal of LTK Engineering Services, Inc. was determined to be most advantageous to the Authority. Negotiations resulted in a not to exceed price of \$526,007.00 (Phase 1: \$123,981.00; Phase 2: \$53,685.00; Phase 3: \$67,931.00; and Phase 4: \$280,410.00). LTK Engineering Services, Inc. vast experience in fare collection design and implementation includes projects with the Houston Metro in Houston Texas, Massachusetts Bay Transportation Authority in Boston, Massachusetts, and the Metropolitan Atlanta Rapid Transit Authority in Atlanta, Georgia, among many others.

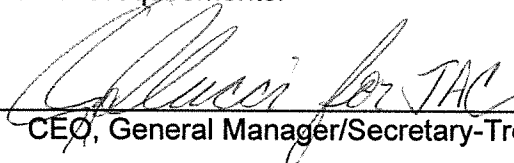
A cost analysis was performed and the Procurement Department has determined the negotiated rate to be fair and reasonable to the Authority.

4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 7% DBE goal was established for this procurement. LTK Engineering Services has committed to exceed the goal through the utilization of the following DBE firm(s):

DBE(s) Name/Address	DBE Category	Scope of Work	Amount	Percent
Virginkar & Associates, Inc. Brea, CA	Asian Indian Male	Provide Project Management and resident engineer services	\$147,373	28%
<b>Total DBE Participation:</b>			<b>\$147,373</b>	<b>28%</b>

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: That said contract shall be payable from the RTA Development Fund, Revenue Department Budget, including but not limited to Capital Grant OH-90-X397, line item 44.24.00, and future years funding, at a total amount not to exceed \$526,007.00. (\$188,858.00 in Federal Funds, which represent 36% of the total cost). The contract will consist of four (4) phases. Phase 1 through 3 will be funded from the 2003 budget, while Phase 4 (implementation and support) will be funded in 2004. Phases 1, 2 and 3 total \$236,073.00, which is approximately 89% above the budgeted amount for these three phases of \$125,000.00.
- 7.0 ALTERNATIVES: Reject all proposals. Rejection of this offer would delay the implementation of a new fare collection system, and might impact the schedule of the Euclid Corridor Transportation Project.
- 8.0 RECOMMENDATION: It is recommended that the proposal of LTK Engineering Services, Inc. be accepted and the resolution passed authorizing the General Manager 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