

AUTHORIZING SOLE SOURCE CONTRACT 2002-154 WITH CHROMALOX, INC. FOR TEN (10) TRACK SWITCH HEATER CONTROL PANELS AT A PRICE OF \$69,500.00 – RTA CAPITAL FUND, RAIL DISTRICT DEPARTMENT BUDGET.

WHEREAS, the Greater Cleveland Regional Transit Authority requires the track switch heater control panels; and

WHEREAS, the offer of Chromalox, Inc., located at 103 Gamma Drive Ext., Pittsburgh, PA 15238, to furnish ten (10) Switch Heater Control Panels for the Authority's track rehabilitation project was received on March 26, 2003; and

WHEREAS, after negotiations, Chromalox, Inc., agreed to provide ten (10) units at \$6,950.00 per unit for a total price of \$69,500.00; and

WHEREAS, Section 306.43(H)(2) of the Ohio Revised Code provides that competitive bidding is not required when a regional transit authority, after reasonable inquiry, determines that only one source of supply is reasonably available; and

WHEREAS, Chromalox, Inc., has proprietary rights to the switch heater control panels currently used on the Authority's rail lines; and

WHEREAS, the General Manager deems the offer of Chromalox, Inc., as negotiated, to be fair and reasonable 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 General Manager of the Authority be and he is hereby authorized to enter into a contract with Chromalox, Inc., for the furnishing of ten (10) Switch Heater Control Panels for the rail lines as specified.

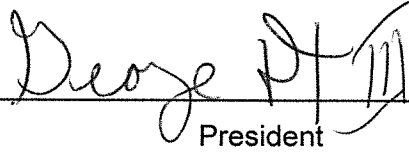
Section 2. That said contract shall be payable from the RTA Capital Fund, Rail District Department budget, in the amount of sixty nine thousand five hundred and 00/100 (\$69,500.00).

Section 3. That the terms of such contract shall be consistent with the offer of Chromalox, Inc., as negotiated.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to the Specification 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 the contractual obligations of the Authority.

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

Adopted: May 20, 2003



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

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TITLE/DESCRIPTION: AUTHORIZING SOLE SOURCE CONTRACT 2002-154 WITH CHROMALOX, INC. FOR TEN (10) TRACK SWITCH HEATER CONTROL PANELS FOR THE TRACK REHABILITATION PROJECT AT A PRICE OF \$69,500.00 (RTA CAPITAL FUND, RAIL DISTRICT DEPARTMENT BUDGET).	Resolution No.: 2003 - 063
	Date: May 15, 2003
	Initiator: Rail District Department.
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 action will allow the Authority to enter into a contract with Chromalox, Inc. for ten (10) Track Switch Heater Control Panels.

2.0 DESCRIPTION/JUSTIFICATION: The Switch Heater Equipment is part of the traction power cost reduction project. These units allow the track switches to be heated to eliminate snow, ice, rain and sleet at near or below freezing temperatures from the switch point. These are safety sensitive parts. Failure of one of these units could result in the derailment of a vehicle.

These Track Switch Heater Control Panels will reduce track heater power consumption by an estimated 80% due to its ability to recognize climatic events and adjust power consumption accordingly.

3.0 PROCUREMENT BACKGROUND: This is a sole source procurement as authorized by Section 306.43(H)(2) of the Ohio Revised Code. Chromalox holds the exclusive rights to this product. An industry survey showed that no other manufacturer provides a comparable product. The Procurement Department requested a proposal from Chromalox, Inc., and after negotiations, the parties agreed upon price reductions that allows RTA to reduce the cost from the proposed pricing by 7% or \$5,000.00.

The Procurement Department has done a cost/price analysis and has determined the price to 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 subcontracting opportunities.

5.0 POLICY IMPACT: Does not apply.

6.0 ECONOMIC IMPACT: This procurement will be payable from the RTA Capital Fund, Rail District Department budget, in the amount of sixty nine thousand five hundred and 00/100 dollars (\$69,500.00).

7.0 ALTERNATIVES: Reject this offer. Rejection of this offer could facilitate track icing at the switch points during inclement weather conditions and will not provide for the anticipated cost savings from the installation of the new control boxes.

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8.0 RECOMMENDATION: It is recommended that the offer of Chromalox, Inc. as negotiated 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