

RESOLUTION NO. 2005-105

AUTHORIZING SOLE SOURCE CONTRACT NO. 2005-073 WITH PORTEC RAIL PRODUCTS, INC. FOR THE PURCHASE OF REPAIR PARTS FOR THE PORTEC RAIL LUBRICATORS AT A PRICE OF \$37,357.76 (RTA CAPITAL FUND - RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, the Authority has a need to purchase repair parts used for the upkeep of the lubricators located on the Authority's rail lines; and

WHEREAS, the Ohio Revised Code, Section 306.43H(2) 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, Portec Rail Products, Inc. has proprietary rights to the current equipment that is installed on the Authority's rail; and

WHEREAS, the offer of Portec Rail Products, Inc., to furnish these repair parts for the Authority's rail lubricators was received on April 21, 2005; and

WHEREAS, after negotiations, a price of thirty-seven thousand three hundred fifty-seven & 76/100 dollars (\$37,357.76) was agreed upon; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Portec Rail Products, Inc. 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 offer of Portec Rail Products, Inc., as negotiated, to provide the Portec rail lubrication repair parts be and the same is hereby accepted as being in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Portec Rail Products, Inc. for the furnishing of the Portec rail lubrication repair parts, as specified.

Section 3. That said contract shall be payable from RTA Capital Fund, Rail District Department budget, at a price of thirty-seven thousand three hundred fifty-seven & 76/100 dollars (\$37,357.76).

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 2005-051; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

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Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Portec Rail Products, Inc. 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: August 23 2005.

 President

Attest: 
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

I.3

TITLE/DESCRIPTION: AUTHORIZING SOLE SOURCE CONTRACT NO. 2005-073 WITH PORTEC RAIL PRODUCTS, INC. FOR THE PURCHASE OF REPAIR PARTS FOR THE PORTEC RAIL LUBRICATORS AT A PRICE OF \$37,357.76 (RTA CAPITAL FUND - RAIL DISTRICT DEPARTMENT BUDGET))	Resolution No.: 2005- 105
	Date: August 18, 2005
	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 sole source contract with Portec Rail Products, Inc. for the furnishing of Portec Rail Lubrication repair parts for the lubrication system currently in use on the Authority's rail lines.
- 2.0 DESCRIPTION/JUSTIFICATION: The current lubrication system in use on the Authority's rail lines is a Portec Lubrication System and in need of repair parts. There are currently twenty-one lubricators attached to the rail lines located throughout the entire system. The lubricators automatically lubricate the wheels and rail when a train passes over them and functions twenty-four hours a day seven days per week. The majority of the lubricators are located in the curves of the rail allowing for reduced friction and giving the trains a better and smoother ride.
- 3.0 PROCUREMENT BACKGROUND: This sole source is exempt from competitive bidding as authorized by Section 306.43H(2) of the Ohio Revised Code. Portec Rail Products holds the exclusive rights to this product. An industry survey showed that no other manufacturer provides the same parts that could be used in this system. The Procurement Department requested a proposal from Portec Rail Products, Inc. After negotiations, a price of \$37,357.76 for the required repair parts was agreed upon.

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 subcontracting opportunities.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This procurement will be funded through the RTA Capital Fund, Rail District Department budget, at a price of thirty-seven thousand three hundred fifty-seven & 76/100 dollars (\$37,357.76). This price is within the budgeted estimate.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer may potentially cause the unsafe operation of the rail fleet and may impact the safety of customers, operators, and the service goals of the Authority. The other alternative is to rebuild or replace all units with new units.

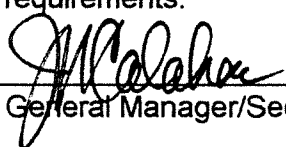
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8.0 RECOMMENDATION: It is recommended that the offer of Portec Rail Products, Inc. be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.

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