

RESOLUTION NO. 2006-106

AUTHORIZING CONTRACT NO. 2005-155 WITH THE RAIL NETWORK TO PROVIDE AND OPERATE A MULTI MEDIA PASSENGER INFORMATION SYSTEM FOR A PERIOD OF TEN YEARS WITH FOUR ONE-YEAR MUTUAL OPTION YEARS (REVENUE GENERATING, AMOUNT VARIABLE – BASED ON REVENUE)

WHEREAS, the Authority requires a qualified organization to provide and operate a Multi Media Passenger Information System for buses and rail at no cost to the Authority and to share revenue generated from advertising; and

WHEREAS, the proposal submitted by The Rail Network, located at 561 Seventh Avenue, Suite 702, New York, NY 10018 was received to provide this service for the Authority for a period of ten years with four one-year mutual option years; and

WHEREAS, the General Manager/Secretary-Treasurer deems the proposal of The Rail Network, as negotiated, to be in the Authority's best interest and recommends the same to 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 proposal submitted by The Rail Network, as modified in negotiations, be accepted to be in the best interest of the Authority to provide and operate a Multi Media Passenger Information System for buses and rail for a period of ten years with a four one-year mutual option years.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be, and he hereby is authorized to enter into a contract with The Rail Network to provide these services for a period of ten years with four one-year mutual option years.

Section 3. That the proceeds to the Authority shall be deposited into the General Fund.

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; if any, the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2006-77; 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 The Rail Network will attempt to exceed the 0% DBE goal assigned to this procurement.

Resolution No. 2006-106
Page 2

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

Adopted: June 20, 2006

President

Attest: _____
CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2005-155 WITH THE RAIL NETWORK TO PROVIDE AND OPERATE A MULTI MEDIA PASSENGER INFORMATION SYSTEM FOR A PERIOD OF TEN YEARS WITH FOUR ONE-YEAR MUTUAL OPTION YEARS (REVENUE GENERATING, AMOUNT VARIABLE – BASED ON REVENUE)	Resolution No.: 2006-106
	Date: June 15, 2006
	Initiator: Marketing 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 a vendor to provide and operate a Multi Media Passenger Information System for Silver Line buses and all rail cars and to share in the advertising revenue generated.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority is seeking opportunities to effectively communicate with its customers and generate additional revenue. The Multi Media Passenger Information System will include two to four flat screen LCD units per rail car and per Silver Line vehicles. This system has the capability to disseminate service-related information to passengers, including next stop announcements, information about connecting service, customer and security related information, as well as current news/weather updates.

- 3.0 **PROCUREMENT BACKGROUND:** The Request For Proposal was posted on the GCRTA website and advertised in the local newspapers. After evaluation by a panel of Authority employees in accordance with established Procurement and Policies and Procedures, and after negotiations, the proposal of The Rail Network was determined to be the most advantageous to the Authority. With its patented multimedia transit broadcast system, The Rail Network and its affiliates provide television, music, and transit information on mass transit rail systems. They will provide these services on all Authority rail cars and have agreed to include service on the 21 Silver Line vehicles. They will have a right of first refusal to provide service on the remaining GCRTA bus fleet in the future. The system is provided at no cost to the Authority and the Authority will receive a share of the revenue generated from advertising.

 A revenue analysis has been performed and the Procurement Department has determined that the proposal of The Rail Network is fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. The specific subcontracting opportunities that will result from the contract are yet to be determined. OBD will review the individual proposals presented to RTA on a case-by-case basis to determine the appropriate DBE participation goal.

- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 **ECONOMIC IMPACT:** The amount of revenue expected to be generated from this contract is dependent on the amount of advertising sold. Funds shall be deposited into the General Fund.

- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would deny the Authority the ability to effectively communicate with its customers and would eliminate a source of revenue.
- 8.0 RECOMMENDATION: This procurement was reviewed by the Board of Trustees Finance Committee at their June 6, 2006 meeting and recommended for approval to the Board of Trustees. It is recommended that the offer of The Rail Network 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