

RESOLUTION NO. 2008-102

AUTHORIZING CONTRACT NO. 2008-129 WITH FAIVELEY TRANSPORT USA, INC. FOR THE REPAIR AND REBUILD OF BRAKE ACTUATORS FOR A FOUR-YEAR PERIOD FOR THE TOKYU HRV FLEET AT A PRICE NOT TO EXCEED \$516,000.00 (RTA DEVELOPMENT FUND, RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, repair and rebuild of brake actuators for the Tokyu Heavy Rail Vehicle (HRV) fleet during the mid-life overhaul project is required; 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, Faiveley Transport USA, Inc. has proprietary rights to the brake actuators currently available for use on the Authority's HRV fleet; and

WHEREAS, the offer of Faiveley Transport USA, Inc. located at 213 Welsh Pool Road, Exton, PA 19341 to repair and rebuild the brake actuators for the four year period was received on June 10, 2008; and

WHEREAS, a negotiated contract price in an amount not to exceed five hundred sixteen thousand & 00/100 dollars (\$516,000.00) was agreed upon; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Faiveley Transport USA, 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 Faiveley Transport USA, Inc., as negotiated, to provide the repair and rebuild of the brake actuators for the Tokyu HRV fleet be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a sole source contract with Faiveley Transport USA, Inc. for the furnishing of the repair and rebuild of the brake actuators for the HRV fleet mid-life overhaul, as specified.


Section 3. That said contracts shall be payable from the RTA Development Fund, Rail District Department budget, including but not limited to Capital Grant OH-05-0090 in an amount not to exceed \$154,800.00 (\$123,840.00 in Federal Funds which represents 80% of the cost) for the year 2008 and the remaining funding contingent upon appropriation of funds for future years for a total contract amount not to exceed five hundred sixteen thousand & 00/100 dollars (\$516,000.00) for the four-year period.

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 2008-061; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that Faiveley Transport USA, 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: July 15, 2008



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT 2008-129 WITH FAIVELEY TRANSPORT USA, INC. FOR THE REPAIR AND REBUILD OF BRAKE ACTUATORS FOR A FOUR-YEAR PERIOD FOR THE TOKYU HRV FLEET AT A PRICE NOT TO EXCEED \$516,000.00 (RTA DEVELOPMENT FUND, RAIL DISTRICT DEPARTMENT BUDGET)	Resolution No.: 2008-102
	Date: July 10, 2008
	Initiator: Rail District
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 Faiveley Transport USA, Inc. for the repair and rebuild of brake actuators for the Tokyu HRV fleet as part of the midlife overhaul project for a four-year period.

2.0 **DESCRIPTION/JUSTIFICATION:** The Tokyu HRV fleet was placed into service in 1985. The original manufacturer for this equipment was SAB while the sole source manufacturer and re-manufacturer of brake actuators for SAB is now Faiveley. Brake actuators are part of the car's brake cylinders to the car's wheels in the friction brake portion of the braking system. They are critical safety components of the braking system for the safety of the Authority's personnel and customers. Certain internal components of the actuators are obsolete and during the rebuild will be upgraded and replaced by Faiveley. These units will be supplied for the mid-life overhaul project of the HRV fleet.

3.0 **PROCUREMENT BACKGROUND:** This sole source is exempt from competitive bidding as authorized by Section 306.43H(2) of the Ohio Revised Code. Faiveley holds the exclusive rights to this product. An industry survey showed that no other manufacturer provides a comparable braking system. The Procurement Department requested a proposal from Faiveley. After negotiations, a price not to exceed \$516,000.00 for the rebuild and repair of the brake actuators for a four-year period was agreed upon. This part is unique to GCRTA and no comparison of prices paid by others is available. A breakdown by year of the anticipated rebuild and repair of the units is as follows:

	<u>Service Brake</u>	<u>Total</u>	<u>Parking Brake</u>	<u>Total</u>	<u>Annual</u>
	<u>Actuators</u>	<u>(x \$1,560)</u>	<u>Actuators</u>	<u>(x\$1,770)</u>	<u>Total</u>
2008	72	\$112,320	24	\$42,480	\$154,800
2009	72	\$112,320	24	\$42,480	\$154,800
2010	48	\$ 74,880	16	\$28,320	\$ 77,712
2011	48	\$ 74,880	16	\$28,320	\$ 77,712

Repair and rebuild of the Service Brake Actuators will cost \$1,560.00 each and the Parking Brake Actuators will cost \$1,770.00 each. These are firm prices for the four-year period.

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 lack of certified DBE Firms.

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This procurement will be funded through the RTA Development Fund, Rail Department budget, including but not limited to Capital Grant OH-05-0090, Line item 12.15.21 at a price of \$154,800.00 (\$123,840.00 in Federal funds, which represents 80% of the cost) for the year 2008. This price is 2% above the current years budgeted estimate. The remaining funding is contingent upon appropriation of funds for future years and will result in a total contract price not to exceed five hundred sixteen thousand & 00/100 dollars (\$516,000.00).
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer may potentially cause the unsafe operation of the HRV fleet and may impact the safety of customers, operators, service goals and delay the mid-life timetable of the Authority.
- 8.0 RECOMMENDATION: It is recommended that the offer of Faiveley Transport USA, 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