

RESOLUTION NO. 2009-31

AUTHORIZING CONTRACT 2009-034 WITH GENERAL ELECTRIC COMPANY FOR ELEVEN (11) LINE BREAKERS FOR THE TOKYU HRV FLEET AT A PRICE OF \$135,894.00 (RTA DEVELOPMENT FUND, RAIL DEPARTMENT BUDGET)

WHEREAS, there is a need to replace eleven (11) line breakers for the Tokyu Heavy Rail Vehicle (HRV) fleet 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, General Electric Company has proprietary rights to the line breakers currently available for use on the Authority's HRV fleet; and

WHEREAS, the offer of General Electric Company, located at 2901 East Lake Road, Erie, PA 16531, to furnish eleven (11) line breakers for the Authority's HRV fleet was received on March 13, 2009; and

WHEREAS, a negotiated contract price of one hundred thirty five thousand eight hundred ninety four and 00/100 dollars (\$135,894.00) was agreed upon; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of General Electric Company 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 General Electric Company, as negotiated, to provide eleven (11) line breakers 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 General Electric Company for the furnishing of eleven (11) line breakers for the HRV fleet, as specified.

Section 3. That said contract shall be payable from RTA Development Fund, Rail Department budget, including but not limited to ARRA Capital Grant OH-56-0002, at a price of \$135,894.00 (100% Federal Stimulus funds). The award of this contract is contingent upon FTA approval of funds under the American Recovery and Reinvestment Act (ARRA) of 2009 and receipt of those grant funds.

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 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 General Electric Company 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: April 21, 2009



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION CONTRACT: ELEVEN (11) LINE BREAKERS FOR THE TOKYU HRV FLEET VENDOR: GENERAL ELECTRIC COMPANY AMOUNT: \$135,894.00	Resolution No.: 2009-31
	Date: April 16, 2009
	Initiator: Rail Department
ACTION REQUEST: <input 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 General Electric Company for the purchase of eleven (11) line breakers, GE P/N 17JM9H2C and RTA part number 53-6160, for the Tokyu HRV fleet.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Tokyu HRV fleet was placed in service in 1985. The line breaker is the main circuit breaker on the Tokyu HRV and it is designed to protect the vehicles electrical system and components from damage in the event of an electrical surge or short circuit. The breaker would trip before any damage to the components would occur. A number of the line breakers have deteriorated to the point that they are no longer performing the protection that they were designed to perform. The line breaker is identified as part of the HRV mid-life overhaul project.

- 3.0 **PROCUREMENT BACKGROUND:** This sole source procurement is exempt from competitive bidding as authorized by Section 306.43H(2) of the Ohio Revised Code. General Electric Company holds the exclusive rights to this product. An industry survey showed that no other manufacturer provides a comparable line breaker for the vehicles. The Procurement Department requested a proposal from General Electric Company. After negotiations, a price of \$12,354.00 for each of the eleven line breakers was agreed upon for a total cost of \$135,894.00. General Electric Company took exception to providing a unit price breakdown in order for the Authority to determine reasonability of price through cost analysis. This part is unique to GCRTA and no comparison of prices paid by others is available.

 A 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 Development Fund, Rail Department budget, including but not limited to ARRA Capital Grant OH-56-0002, Line Item 12.15.21 at a total price of \$135,894.00 (100% Federal Stimulus funds). This price is within the budgeted estimate. The unit price of \$12,354.00 is approximately 6% above the unit cost previously paid in 2006. The award of this contract is contingent upon FTA approval of funds under the American Recovery and Reinvestment Act (ARRA) of 2009 and receipt of those grant funds.

- 7.0 ALTERNATIVES: Reject this offer. This purchase will ensure the safe operation of the HRV fleet and may enhance the safety of customers, operators, and the service goals of the Authority. The other alternative is to rebuild these units internally utilizing a force account, but due to lack of personnel, this is currently an unacceptable alternative.
- 8.0 RECOMMENDATION: It is recommended that the offer of General Electric Company 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