

RESOLUTION NO. 2009-58

AUTHORIZING CONTRACT 2009-099 WITH PANDROL USA FOR 23,000 TIE PLATES FOR THE TRACK REHABILITATION OVERHAUL PROJECT AT A PRICE OF \$378,350.00 (RTA DEVELOPMENT FUND, RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, the Authority has a requirement for 23,000 tie plates for the continuance of the track rehabilitation project on the Blue Line; and

WHEREAS, the offer of Pandrol USA, located at 501 Sharpton Road, Bridgeport, NJ 08014, to furnish 23,000 tie plates for the Authority's track rehabilitation project was received by the Authority on June 18, 2009; and

WHEREAS, after negotiations, Pandrol USA, Inc., agreed to provide the tie plates for a total price of \$378,350.00; 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, Pandrol USA, has proprietary rights to the Pandrol Tie Plate System currently in use on the Authority's rail system; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Pandrol USA, 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 offer of Pandrol USA to furnish 23,000 tie plates for the Authority's track overhaul project 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 contract with Pandrol USA, for the furnishing of 23,000 tie plates for the Authority's track overhaul project, as specified.

Section 3. That said contract shall be payable from the RTA Development Fund, Rail District Department budget, including but not limited to ARRA Capital Grant OH-56-0002 in an amount not to exceed \$378,350.00 (100% Federal 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 2009-023; 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 Pandrol USA 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 28, 2009



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: FURNISHING OF 23,000 TIE PLATES, AS SPECIFIED VENDOR: PANDROL USA AMOUNT: \$378,350.00	Resolution No.: 2009-58 Date: July 23, 2009 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 for 23,000 tie plates, as specified.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The tie plates are used on the Authority's rail system to secure and provide stability of the rail to the cross-ties. They will be used to complete the Shaker Blue Line Rehabilitation. This system is a safety sensitive part because a failure of one of these units may result in the derailment of the vehicle.
- 3.0 **PROCUREMENT BACKGROUND:** This is a sole source procurement as authorized by Section 306.43(H)(2) of the Ohio Revised Code. Pandrol USA 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 Pandrol USA and after negotiations, the total price of \$378,350.00 was agreed upon.

A cost and price analysis was performed and the Procurement Department has determined the negotiated price 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:** That said contract shall be payable from the RTA Development Fund, Rail District Department budget, including but not limited to ARRA Capital Grant OH-56-0002, Line Item 12.7A.00 in an amount not to exceed \$378,350.00 (100% Federal Funds).
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer may potentially cause the unsafe operation of the rail system and adversely affect the safety of riders and operators. Also alternative plates would have a negative cost impact on the Authority when purchased at a later dates.

- 8.0 RECOMMENDATION: It is recommended that the offer of Pandrol USA 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