

RESOLUTION NO. 2009-99

AUTHORIZING CONTRACT NO. 2009-132A WITH MAGNADATA USA, INC. FOR THE PURCHASE OF MAGNETIC FARE MEDIA CARDS (TRIM ISSUED), AS REQUIRED, FOR A PERIOD OF THREE YEARS, WITH TWO ONE YEAR OPTIONS, IN AN AMOUNT NOT TO EXCEED \$163,125.00 FOR THE BASE TERM AND IN AN AMOUNT NOT TO EXCEED \$54,375.00 FOR EACH OPTION YEAR FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$271,875.00 (GENERAL FUND, REVENUE DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority dispenses magnetic paper thermal cards from the GFI electronic fareboxes; and

WHEREAS, this procurement was divided into three sections and the vendors were able to bid on one or any combination of the sections; and

WHEREAS, the bid of Magnadata USA, Inc., located at 100 Route 70, Suite 9; Lakewood, NJ 08701, for the furnishing of magnetic paper thermal cards, as required, was received on October 5, 2009, at unit prices resulting in an amount not to exceed one hundred sixty-three thousand one hundred twenty-five & 00/100 dollars (\$163,125.00) for the base years and in an amount not to exceed fifty-four thousand three hundred seventy-five & 00/100 dollars (\$54,375.00) for each option year for a total contract amount not to exceed two hundred seventy-one thousand eight hundred seventy-five & 00/100 dollars (\$271,875.00) for Section 1; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Magnadata USA, Inc. to be the lowest bid from a responsible bidder 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 bid of Magnadata USA, Inc, Inc be and the same is hereby accepted as the lowest bid from a responsible bidder for magnetic paper thermal cards.

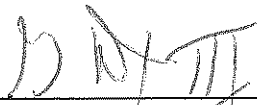
Section 2. That the General Manager/Secretary-Treasurer is hereby authorized to enter into a contract with Magnadata USA, Inc for the furnishing of magnetic paper thermal cards, as required, for the base period of three (3) years with the authority to exercise the option for two (2) additional one (1) year periods.

Section 3. That said contract shall be payable out of the General Fund, Revenue Department budget in an amount not to exceed one hundred sixty-three thousand one hundred twenty-five & 00/100 dollars (\$163,125.00) for the base years and in an amount not to exceed fifty-four thousand three hundred seventy-five & 00/100 dollars (\$54,375.00) for each option year for a total contract amount not to exceed two hundred seventy-one thousand eight hundred seventy-five & 00/100 dollars (\$271,875.00).

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 thereto, 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 contractual obligations of the Authority.

Section 5. That this resolution shall become effective immediately upon its adoption.

Adopted: November 17, 2009

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION</b> CONTRACT: PURCHASE OF MAGNETIC FARE MEDIA CARDS  VENDOR: MAGNADATA USA, INC.  AMOUNT: \$163,125.00 BASE CONTRACT; \$54,375.00 FOR EACH OPTION YEAR; \$271,875.00 TOTAL	Resolution No.: 2009-99  Date: November 12, 2009  Initiator: Revenue Department
<b>ACTION REQUEST:</b>  <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 Magnadata USA, Inc. for the purchase of fare media cards, as required, for a period of three years with two one year options.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority requires paper thermal magnetic strip cards that are issued with the GFI Electronic fareboxes installed on RTA vehicles fleetwide. These cards may be press printed with RTA graphics or other promotional graphics as required by RTA.
- 3.0 **PROCUREMENT BACKGROUND:** The Invitation For Bid (IFB) was posted on the GCRTA Procurement web site and advertised in the local newspapers. Sixteen prospective bidders accessed and/or downloaded the solicitation and three bids were received. The IFB was divided into three sections and the vendors were able to bid on one or any combination of the sections. Each bidder was requested to provide samples of each type of magnetic cards to be tested by the GCRTA Revenue Department to ensure they were compatible with the GFI Genfare TriM card readers. Magnadata USA, Inc. was determined to be the lowest responsive bid from a responsible bidder on Section 1 as shown in the attached summary of bids.
- 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 certified DBE firms.
- 5.0 **POLICY IMPACT:** Does not apply.
- 6.0 **ECONOMIC IMPACT:** This procurement will be funded through the General Fund, Revenue Department budget in an amount not to exceed one hundred sixty-three thousand one hundred twenty-five & 00/100 dollars (\$163,125.00) for the base contract and in an amount not to exceed fifty-four thousand three hundred seventy-five & 00/100 dollars (\$54,375.00) for each option year for a total amount not to exceed two hundred seventy-one thousand eight hundred seventy-five & 00/100 dollars (\$271,875.00) for the contract amount. This amount is 4% less than the cost estimate of \$283,875.00.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would prevent the sale of all day passes on board vehicles from the GFI Electronic fareboxes.
- 8.0 **RECOMMENDATION:** It is recommended that the bid of Magnadata USA, Inc. be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.

9.0 ATTACHMENTS: Attachment A – “Bid Summary” and Attachment B – “Pricing Comparison”.

Recommended and certified as appropriate to the availability of funds,  
legal form and conformance with the Procurement requirements.



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CEO, General Manager/Secretary- Treasurer

**ATTACHMENT A**  
**BID SUMMARY WITH OPTION YEARS**  
Magnetic Cards

<u>Base 3 years</u>	<u>MT&amp;L</u>	<u>EDM</u>	<u>Magnadata</u>
Section 1	Failed Durability Test	Failed Durability Test	\$163,125.00
Section 2	Failed Durability Test	\$156,420.00	\$255,744.00
Section 3	\$430,298.40	\$245,160.00	\$513,636.00
<u>2 Option years</u>			
	<u>MT&amp;L</u>	<u>EDM</u>	<u>Magnadata</u>
	Failed	Failed	\$108,750.00
	Failed	\$104,280.00	\$170,496.00
	\$286,865.60	\$163,440.00	\$342,424.00
<u>Award Summary:</u>			
<u>2009-132A</u>	<u>Section 1</u>		<u>Base 3 years</u>
	Paper Thermal (Trim Issued)	Magnadata USA, Inc	\$ 163,125.00 \$ 108,750.00 \$ 271,875.00
			(\$54,375 each year)
<u>2009-132B</u>	<u>Section 2</u>		
	Plastic Non-Thermal		
	Paper Thermal	Electronic Data Magnetics (EDM)	\$ 156,420.00 \$ 104,280.00 \$ 260,700.00
			(\$52,140 each year)
<u>2009-132B</u>	<u>Section 3</u>		
	Plastic Thermal	Electronic Data Magnetics (EDM)	\$ 245,160.00 \$ 163,440.00 \$ 408,600.00
			(\$81,720 each year)
<u>Total 2009-132B</u>			\$ 401,580.00 \$ 267,720.00 \$ 669,300.00
			(\$133,860 each year)

**ATTACHMENT B**  
**FARE MEDIA PRICING COMPARISON 2009 vs 2004**

	2009 Contract Bid	2004 Contract Bid	Diff vs 2004
<b>Bid Section 1 Trim Issued Cards (Paper Thermal)</b>			
Annual Approx Volume	3,750,000	9,000,000	-58%
Price per 1000 Cards	\$14.50	\$6.95	109%
*The lowest bidder's samples (\$10.00) did not pass RTA's testing for card durability.			
<b>Bid Section 2 Monthly Passes (Polyester Non-Thermal)</b>			
Annual Approx Volume	276,000	247,000	12%
Price per 1000 Cards	\$75.00	\$85.00	-12%
<b>1, 2 Trip &amp; All Day Passes (Paper Thermal)</b>			
Annual Approx Volume	960,000	938,000	2%
Price per 1000 Cards	\$32.75	\$43.04	-24%
<b>2 Trip Student (Paper/Plastic Thermal-Large Quantity for CMSD)</b>			
Annual Approx Volume	1,200,000	1,500,000	-20%
Price per 1000 Cards	\$26.45	\$33.81	-22%
<b>Bid Section 3 5 Trip &amp; 7-Day Passes (Plastic Thermal)</b>			
Annual Approx Volume	1,240,000	1,460,000	-15%
Price per 1000 Cards	\$39.50	\$75.30	-48%