

RESOLUTION NO. 2009-100

AUTHORIZING CONTRACT NO. 2009-132B WITH ELECTRONIC DATA MAGNETICS FOR THE PURCHASE OF MAGNETIC FARE MEDIA CARDS (ENCODED CARDS), AS REQUIRED, FOR A PERIOD OF THREE YEARS, WITH TWO ONE YEAR OPTIONS, IN AN AMOUNT NOT TO EXCEED \$401,580.00 FOR THE BASE TERM AND IN AN AMOUNT NOT TO EXCEED \$133,860.00 FOR EACH OPTION YEAR FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$669,300.00 (GENERAL FUND, REVENUE DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority dispenses magnetic polyester non-thermal cards; paper thermal cards; and plastic 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 Electronic Data Magnetism, Inc., located at 210 Old Thomasville Rd.; High Point NC 27260, for the furnishing of magnetic polyester non-thermal cards; paper thermal cards; and plastic thermal cards, as required, was received on October 5, 2009, at unit prices resulting in an amount not to exceed four hundred one thousand, five hundred eighty and 00/100 dollars (\$401,580.00) for the base years and in an amount not to exceed one hundred thirty three thousand eight hundred sixty and 00/100 dollars (\$133,860.00) for each option year for a total contract amount not to exceed six hundred sixty nine thousand three hundred dollars (\$669,300.00) for Sections 2 & 3; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Electronic Data Magnetism, 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 Electronic Data Magnetism, Inc. be and the same is hereby accepted as the lowest bid from a responsible bidder for magnetic polyester non-thermal cards; paper thermal cards; and plastic thermal cards.

Section 2. That the General Manager/Secretary-Treasurer is hereby authorized to enter into a contract with Electronic Data Magnetism, Inc. for the furnishing of magnetic polyester non-thermal cards; paper thermal cards; and plastic 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 four hundred one thousand five hundred eighty & 00/100 dollars (\$401,580.00) for the base years and in an amount not to exceed one hundred thirty-three thousand eight hundred sixty & 00/100 dollars (\$133,860.00) for each option year for a total contract amount not to exceed six hundred sixty-nine thousand three hundred dollars (\$669,300.00).

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><br>CONTRACT: PURCHASE OF MAGNETIC FARE MEDIA CARDS   | Resolution No.:<br>2009-100      |
| <b>VENDOR:</b> ELECTRONIC DATA MAGNETICS, INC.  | Date:<br>November 12, 2009       |
| <b>AMOUNT:</b> \$ 401,580.00 BASE CONTRACT; \$133,860.00 FOR EACH OPTION YEAR; \$669,300.00 TOTAL   | Initiator:<br>Revenue Department |
| <b>ACTION REQUEST:</b><br><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 Electronic Data Magnetics 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 fare media cards using both paper and polyester cards that are encoded on the magnetic strip for use with the GFI Electronic fareboxes. Some cards require thermal printing while others require only press printing without thermal coating. This action includes magnetic plastic non-thermal cards; magnetic paper thermal cards; and magnetic plastic thermal cards.
- 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. This award is for Section 2 (magnetic plastic non-thermal cards and magnetic paper thermal cards) and Section 3 (magnetic plastic thermal cards). A summary of bids is attached.
- 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 four hundred one thousand five hundred eighty & 00/100 dollars (\$401,580.00) for the base contract and in an amount not to exceed one hundred thirty-three thousand eight hundred sixty & 00/100 dollars (\$133,860.00) for each option year for a total amount not to exceed six hundred sixty-nine thousand three hundred & 00/100 dollars (\$669,300.00). This is 48% less than the cost estimate for these two sections (\$1,300,650.00).
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would prevent sales of various magnetic strip passes and farecards distributed at retail stores, customer service, online that are used with the GFI Electronic fareboxes, faregates and related fare collection equipment.

- 8.0 RECOMMENDATION: It is recommended that the bid of Electronic Data Magnetics 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>Base 3 years</u>                       |
| 2009-132A             | Section 1                   |                                 | <u>2 Option Years</u>                     |
|                       | Paper Thermal (Trim Issued) | Magnadata USA, Inc              | <u>Total</u>                              |
|                       |                             |                                 | \$ 163,125.00 \$ 108,750.00 \$ 271,875.00 |
|                       |                             |                                 | (\$54,375 each year)                      |
| 2009-132B             | Section 2                   |                                 |   |
|                       | Plastic Non-Thermal         |                                 |   |
|                       | Paper Thermal               | Electronic Data Magnetics (EDM) | \$ 156,420.00 \$ 104,280.00 \$ 260,700.00 |
|                       |                             |                                 | (\$52,140 each year)                      |
| 2009-132B             | Section 3                   |                                 |   |
|                       | Plastic Thermal             | Electronic Data Magnetics (EDM) | \$ 245,160.00 \$ 163,440.00 \$ 408,600.00 |
|                       |                             |                                 | (\$81,720 each year)                      |
| Total 2009-132B       |                             |                                 | \$ 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%         |