

RESOLUTION NO. 2016-26

RATIFYING EMERGENCY CONTRACT NO. 2016-051 WITH TRANSIT SOURCE SERVICES, INC., AND AUTHORIZING A SOLE SOURCE PROCUREMENT FOR THE FURNISHING OF RESILIENT DISCS, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF TWO YEARS, IN AN AMOUNT NOT TO EXCEED \$435,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, as a result of faulty resilient discs, the Authority is experiencing premature wheel failures on its Light Rail Vehicles (LRV's) creating an immediate need to purchase replacement resilient discs to rebuild steel wheels; and

WHEREAS, the Authority determined an emergency existed, as defined under ORC 306.43(H)(1)(a) which allows that competitive procedures are not required in situations affecting safety, welfare, or the ability to deliver transportation services; and

WHEREAS, in addition, the replacement resilient discs are proprietary to Transit Source Services, Inc. (TSS) and therefore, pursuant to Section 306.43(H)(2) of the Ohio Revised Code, the purchase of these parts is not subject to competitive procedures; and

WHEREAS, the bid of TSS, with an office at 85 Abbottsford Drive, Pinehurst, NC 28374, was received on March 15, 2016 for the furnishing of 1,000 resilient discs on an emergency basis and the sole source purchase of up to 2,000 additional resilient discs, for a total contract amount not to exceed \$435,000.00; and

WHEREAS, the General Manager/Secretary-Treasurer discussed with the President of the Board of Trustees the necessity to execute an emergency contract and received approval to proceed with the initial purchase of 1,000 resilient discs at a unit price of \$145.00, resulting in a total amount of \$145,000.00; and

WHEREAS, as part of the scheduled maintenance of LRV wheels, the Authority has a recurring need for up to 2,000 resilient discs over the next two years; and

WHEREAS, the emergency purchase of 1,000 resilient discs in an amount not to exceed \$145,000.00 and the two year requirement of up to 2,000 resilient discs in an amount not to exceed \$290,000.00, will result in a total contract amount not to exceed \$435,000.00; and

WHEREAS, the General Manager/Secretary-Treasurer deems the contract with Transit Source Services, Inc., to be most advantageous to the Authority and recommends that the Board of Trustees ratify the execution of said contract.

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 Transit Source Services, Inc. (TSS) for the emergency purchase of 1,000 resilient discs and the furnishing of up to 2,000 additional resilient discs, as specified and as required, for a period of two years, be and the same is hereby accepted.

Section 2. That the Board of Trustees hereby ratifies the award of Contract No. 2016-051 to TSS and further ratifies the General Manager/Secretary-Treasurer's execution of said contract with TSS to provide up to 3,000 resilient discs, as specified and as required, for a period of two years.


Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, in an amount not to exceed \$435,000.00 for a period of two years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years and compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2015-076; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that TSS will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this ratification shall become effective immediately upon its adoption.

Adopted: April 26, 2016

  
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President

Attest:

  
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CEO, General Manager/Secretary-Treasurer



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

<b>TITLE/DESCRIPTION:</b>  <b>CONTRACT:</b> RATIFYING EMERGENCY CONTRACT NO. 2016-051 AND AUTHORIZING SOLE SOURCE PROCUREMENT FOR THE PURCHASE OF RESILIENT DISCS FOR LIGHT RAIL VEHICLE STEEL WHEELS  <b>VENDOR:</b> TRANSIT SOURCE SERVICES, INC.  <b>AMOUNT:</b> NOT TO EXCEED \$435,000.00	<b>Resolution No.:</b> 2016-26
	<b>Date:</b> April 21, 2016
	<b>Initiator:</b> Fleet Management 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 ratify the General Manager/Secretary-Treasurer's execution of Contract No. 2016-051 with Transit Source Services, Inc. (TSS) for the emergency purchase of 1,000 resilient discs, and authorize the sole source procurement of up to 2,000 resilient discs for Light Rail Vehicle (LRV) steel wheels, as specified and as required, for a period of two years.

2.0 **DESCRIPTION/JUSTIFICATION:** The Authority used the wheels with resilient discs on the Breda LRV fleet to reduce shock, noise and wear, as well as, to provide a smoother ride for the Authority's customers. The Authority is experiencing premature LRV wheel failures due to recurring, extensive problems with resilient discs currently stocked in GCRTA inventory. Fleet Management recommended that the Authority procure resilient discs from the Original Equipment Manufacturer (OEM), TSS, the U.S distributor of GHH/Bonatrans, based on previous experience. Due to the urgent need to keep the fleet operable and long lead times, it was determined that an emergency purchase of an initial 1,000 resilient discs was required. The total contract requirement will be for up to 3,000 resilient discs.

3.0 **PROCUREMENT BACKGROUND:** Resilient discs used on the LRV's are proprietary to TSS and are therefore exempt from competitive bidding under Section 306.43(H)(2) of the Ohio Revised Code. Due to the equipment failures which impacted safety and the ability to deliver transportation services, an emergency procurement was required in order to keep LRV's in service. This emergency procurement of 1,000 resilient discs is authorized under Section 306.43(H)(1)(a) of the Ohio Revised Code and under Section 24 of the GCRTA's Procurement Policies and Procedures Manual. As required, the CEO, General Manager/Secretary-Treasurer notified the President of the Board of Trustees of the emergency and received his authorization to proceed with the emergency procurement. The purchase of an initial 1,000 resilient discs at a unit price of \$145.00 was made, resulting in a total amount not to exceed \$145,000.00. The average life cycle of a resilient disc is three years. The purchase of up to 2,000 resilient discs from TSS, as a sole source, at the unit price of \$145.00 resulting in a \$290,000,00 purchase, ensures the availability of a sufficient supply of these essential parts. The total contract amount will not exceed \$435,000.00.

A price analysis has been performed and the Procurement Department has determined that the negotiated price submitted by TSS 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 certified DBE firms.

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This procurement will be funded through the General Fund, Fleet Management Department budget, in an amount not to exceed \$435,000.00 for a period of two years.
- 7.0 ALTERNATIVES: Reject this ratification and sole source procurement. Rejection will void the emergency purchase and significantly impact the Authority's ability to maintain the Authority's fleet of Light Rail Vehicles thus impeding the Authority's ability to provide service to its customers.
- 8.0 RECOMMENDATION: It is recommended that the contract with Transit Source Services, Inc., be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to execute the contract.
- 9.0 ATTACHMENTS: None

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