

RESOLUTION NO. 2016-41

AUTHORIZING SOLE SOURCE CONTRACT NO. 2016-062 WITH ANSALDO STS USA, INC., FOR THE PROCUREMENT OF TUNED TRACK SIGNAL SYSTEM MINI-BONDS, AS REQUIRED AND AS SPECIFIED, FOR A PERIOD OF TWO YEARS, FOR A TOTAL AMOUNT NOT TO EXCEED \$314,720.00 (RTA DEVELOPMENT FUND, RAIL DISTRICT BUDGET)

WHEREAS, the Authority has an ongoing need to replace Tuned Track Signal System Mini-Bonds ("Mini-Bonds") as part of the preventative maintenance program; and

WHEREAS, Ohio Revised Code, Section 306.43(H)(2) provides that competitive bidding is not required when the purchase of goods or services, or any combination thereof, and after reasonable inquiry, the board or any officer or employee the board designates finds that only one source of supply is reasonably available; and

WHEREAS, Ansaldo STS USA, Inc. located at 645 Russell Street, Batesburg, SC 29006 has offered to supply up to 40 Mini-Bonds, as specified and as required, for a period of two years at a unit price of \$7,778.00 plus a negotiated total shipping cost capped at \$3,600.00, resulting in a total contract amount not to exceed \$314,720.00 for a period of two years; and

WHEREAS, the Mini-Bonds are only available from Ansaldo STS USA, Inc., the original source of supply; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems acceptance of the offer of Ansaldo STS USA, Inc., as negotiated, to be in the best interest of the Authority, 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 negotiated offer of Ansaldo STS USA, Inc., for the furnishing of up to 40 Tuned Track Signal System Mini-Bonds, as specified and as required, for a period of two years, be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a sole source contract with Ansaldo STS USA, Inc. for the furnishing of Mini-Bonds, as specified and as required, for a period of two years.

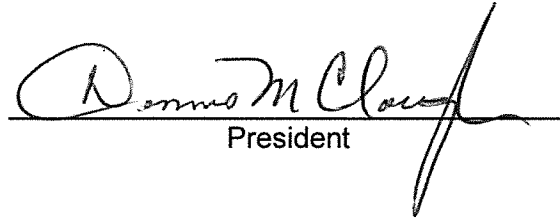
Section 3. That said contract shall be payable out of the RTA Development Fund, Rail District Infrastructure State of Good Repair, including but not limited to Capital Grant OH-54-0007 (\$251,776.00 in Federal Funds which represents 80% of the total cost for Track Signal System Mini-Bonds), at a total price not to exceed \$314,720.00 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 Ansaldo STS USA, Inc. will attempt to exceed the 0% DBE goal assigned to this procurement.

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

Adopted: June 14, 2016



President

Attest:



CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: PROCUREMENT OF TUNED TRACK SIGNAL SYSTEM MINI-BONDS VENDOR: ANSALDO STS USA, INC. AMOUNT: NOT TO EXCEED \$314,720.00 FOR A TWO YEAR PERIOD	Resolution No.: 2016-41
	Date: June 9, 2016
	Initiator: Rail District
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 resolution will allow the Authority to enter into a contract for the sole source purchase of up to 40 Tuned Track Signal System Mini-Bonds ("Mini-Bonds"), as specified and as required, for a period of two years.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has an ongoing need to replace defective track Mini-Bonds. They are an integral part of the rail track signal system that regulate the speed of the Authority's passenger trains. The track signal system is proprietary to Ansaldo STS USA, Inc. and the Mini-Bonds are not available from another manufacturer. This procurement of up to 40 Mini-Bonds will ensure that the Authority has the parts required to maintain the track signal system.

- 3.0 **PROCUREMENT BACKGROUND:** This contract for the purchase of Tuned Track Circuit Mini-Bonds is exempted from competitive bidding as authorized by Section 306.43 (H)(2) of the Ohio Revised Code. The Mini-Bonds are part of the track signal system. They are proprietary to Ansaldo STS USA, Inc. making them unavailable from any other source of supply. The Authority's track signal system utilizes four different frequencies of Mini-Bonds and Ansaldo STS USA, Inc. has agreed to provide up to 10 of each frequency Mini-Bond at a per unit price of \$7,778.00, with a total shipping charge capped at \$3,600.00, for a total contract price not to exceed \$314,720.00.

 A cost analysis has been performed and the Procurement Department has determined that the price is 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.

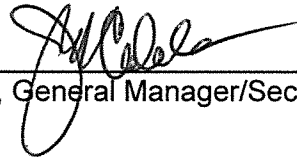
- 5.0 **POLICY IMPACT:** Does not apply.

- 6.0 **ECONOMIC IMPACT:** This procurement will be funded through the RTA Development Fund, Rail District Infrastructure State of Good Repair Project, including but not limited to, Capital Grant OH-54-0007, Line Item 12.27A.00 (\$251,776.00 in Federal Funds which represents 80% of the total cost for Track Signal System Mini-Bonds), at a total price not to exceed \$314,720.00 for a period of two years.

- 7.0 **ALTERNATIVES:** Reject this procurement. Rejection of this offer could potentially disrupt rail service and impact service quality.

- 8.0 RECOMMENDATION: It is recommended that the pricing negotiated with Ansaldo STS USA, Inc. be accepted and the resolution passed authorizing the CEO, 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