

RESOLUTION NO. 2016-114

AUTHORIZING THE FUNDING UNDER CONTRACT NO. 2014-015 WITH SIL4 SYSTEMS, INC., FOR THE PURCHASE OF UP TO 40 BRAKE MICROPROCESSORS, BRAKE MICROPROCESSOR WARRANTIES, AND ONE TEST SIMULATOR FOR THE AUTHORITY'S FLEET OF HEAVY RAIL VEHICLES (HRV), AS SPECIFIED, IN AN AMOUNT NOT TO EXCEED \$467,000.00 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$814,411.55 (RTA DEVELOPMENT FUND, RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, the Authority needs to develop an alternative source for the brake microprocessor used on the Authority's Heavy Rail Fleet (HRV); and

WHEREAS, Resolution No. 2014-053 authorized Contract No. 2014-015 with SIL4 Systems Inc., with offices located at 669 Washington Road, Pittsburg, PA 15228, to provide development, satisfactory testing and production of a replacement microprocessor for the HRV fleet, in an amount not to exceed \$302,211.55; and

WHEREAS, SIL4 Systems Inc.'s negotiated proposal included pricing for 40 production brake microprocessors at a unit price of \$10,500.00, two year warranties for each microprocessor at a unit price of \$800.00, and one brake processor test simulator at a unit price of \$15,000.00; and

WHEREAS, in June 2015, the CEO, General Manager/Secretary-Treasurer authorized Change Order No. 1 in the amount of \$45,200.00 for the purchase of 4 brake microprocessors for product validation testing and reduced the quantity of phase two production units from 40 to 36; and

WHEREAS, the results of the product validation testing are satisfactory and have been accepted by the Authority and the Authority is ready to purchase the remaining 36 and 4 spare brake microprocessors; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the offer of SIL4 Systems, Inc., as negotiated, to be advantageous to the Authority, cost and other factors considered, 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 CEO, General Manager/Secretary-Treasurer is hereby authorized to procure up to 40 brake microprocessors, warranties and one test simulator under Contract No. 2014-015, as amended.

Section 2. That the offer of SIL4 Systems, Inc., to provide up to 40 production brake microprocessors, brake microprocessor warranties and one test simulator be and the same is hereby accepted.

Section 3. That the CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to amend Contract No. 2014-015 with SIL4 Systems, Inc., to provide funding for the purchase of up to 40 production brake microprocessors totaling \$420,000.00, warranties for 40 microprocessors totaling \$32,000.00, plus one test simulator for \$15,000.00, for a total amount not to exceed \$467,000.00, resulting in a total amended contract amount not to exceed \$814,411.55.

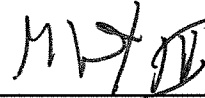
Section 4. That this purchase shall be payable from the RTA Development Fund, Rail District Department budget, including but not limited to, Capital Grant OH-54-0002, in an amount not to exceed \$467,000.00 (\$373,600.00 in Federal funds which represents 80% of the total cost), for a total contract amount not to exceed \$814,411.55.

Section 5. 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 No. 2015-076; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 6. That all terms and conditions of the original contract remain unchanged.

Section 7. That this resolution shall become effective immediately upon its adoption.

Adopted: December 20, 2016



President

Attest: 

CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING THE FUNDING TO PURCHASE UP TO 40 BRAKE MICROPROCESSORS, BRAKE MICROPROCESSOR WARRANTIES AND ONE TEST SIMULATOR UNDER CONTRACT NO. 2014-015 VENDOR: SIL4 SYSTEM INC. AMOUNT: NOT TO EXCEED \$467,000.00	Resolution No.: 2016-114
	Date: December 15, 2016
	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 authorize the funding under Contract No. 2014-015 for the procurement of up to 40 brake microprocessors, warranties for each brake microprocessor and one test simulator. The base contract was approved by the Board of Trustees in Resolution No. 2014-053, adopted July 15, 2014.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority currently operates 40 active Heavy Rail Vehicles (HRV) that entered service in 1984. The trains are, on average, 34 years old, and the technology that produced the current microprocessor no longer exists. The component parts that include resistors, op amps, diodes, etc., are no longer available. It is in the best interest of the Authority to develop a replacement system. The development, manufacture and testing of a total of 5 prototype brake microprocessors under Contract No. 2014-015 has been completed and accepted by GCRTA. The Authority is now ready to purchase the new microprocessors.

- 3.0 **PROCUREMENT BACKGROUND:** Contract No. 2014-015 was awarded to SIL4 Systems Inc., in the amount of \$302,211.55 for the development, manufacture and testing of a prototype brake microprocessor. In June 2015, the CEO, General Manager/Secretary-Treasurer authorized Change Order #1 in the amount of \$45,200.00 for the purchase of 4 additional brake microprocessors for product validation testing and reduced the quantity of phase two production units from 40 to 36.

 This action will authorize the funding to purchase the 36 remaining brake microprocessors and an additional 4 spare brake microprocessors at a unit price of \$10,500.00, two year warranties for each microprocessor at a unit price of \$800.00, and one test simulator at a unit price of \$15,000.00, for a total price not to exceed \$467,000.00, resulting in a new total contract price not to exceed \$814,411.55. The pricing for the brake microprocessors, warranties, and the test simulator was negotiated as part of the base contract award.

- 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 purchase shall be payable from the RTA Development Fund, Rail District Department budget, including but not limited to, Capital Grant OH-54-0002 in an amount not to exceed \$467,000.00 (\$373,600.00 in Federal funds which represents 80% of the total cost) for a total contract amount not to exceed \$814,411.55.
- 7.0 **ALTERNATIVES:** Declining to authorize the funding will delay the Authority's purchase of replacement brake microprocessors and could affect rail service.
- 8.0 **RECOMMENDATION:** It is recommended that the negotiated offer of SIL4 Systems Inc., be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to modify the contract.
- 9.0 **ATTACHMENT:** Change Order Log.

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



CEO, General Manager/Secretary-Treasurer

