

RESOLUTION NO. 2017-90

AUTHORIZING CONTRACT NO. 2017-078 WITH PATCO INDUSTRIES INC. FOR THE FURNISHING OF 35 REMANUFACTURED RAIL SWITCH MACHINES OVER A PERIOD OF THREE YEARS, AT A TOTAL PRICE OF \$180,565.00 (RTA DEVELOPMENT FUND, RAIL DISTRICT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority has an ongoing need to replace rail switch machines; and

WHEREAS, the bid of Patco Industries Inc., located at 4830 52<sup>nd</sup> Avenue, Kenosha, WI 53144, for the furnishing of 35 Remanufactured Rail Switch Machines over a period of three years was received on August 24, 2017, for a total price of \$180,565.00; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the bid of Patco Industries Inc. to be the lowest responsive 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 Patco Industries Inc., for the furnishing of 35 Remanufactured Rail Switch Machines over a period of three 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 contract with Patco Industries Inc. for the furnishing of 35 Remanufactured Rail Switch Machines over a period of three years.

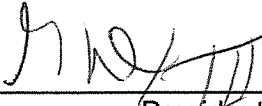
Section 3. That said contract shall be payable from the RTA Development Fund, Rail District Department budget, including but not limited to FTA Grant OH-2016-055, at a total price of \$180,565.00 (\$144,452.00 in Federal Funds represents 80% of the total cost) over a period of three years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, 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 Patco Industries Inc. will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

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

Adopted: October 24, 2017

  
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President

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

<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> FURNISHING OF REMANUFACTURED RAIL SWITCH MACHINES  <b>VENDOR:</b> PATCO INDUSTRIES INC.  <b>AMOUNT:</b> \$180,565.00 FOR THREE YEAR PERIOD	<b>Resolution No.:</b> 2017-90
	<b>Date:</b> October 19, 2017
	<b>Initiator:</b> Rail District
<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 resolution will allow the Authority to enter into a contract for the furnishing of 35 Remanufactured Rail Switch Machines over a period of three years.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority has a need to replace the East 55<sup>th</sup> rail yard speed frater switch machines because spare parts are no longer available. The remanufactured GRS 5G switch machines will replace the outdated machines in the rail yard and enable a safe and efficient operation at the East 55<sup>th</sup> rail yard. A total of 35 rail switch machines will be manufactured over a period of three years.
- 3.0 **PROCUREMENT BACKGROUND:** The Invitation for Bid ("IFB") was posted on the Procurement section of the Authority's web site and advertised in the local newspapers. Nineteen interested parties downloaded the solicitation package. Two responsive bids were received on August 24, 2017. The bid of Patco Industries Inc. has been determined by the Procurement Department to be the lowest responsive bid from a responsible bidder.

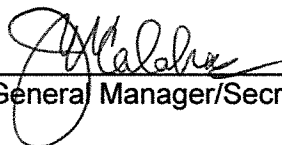
Company Name	Quantity	Unit Cost	Extended Cost
Patco Industries Inc.	35	\$5,159.00	\$180,565.00
Rail Development Group	35	\$6,650.00	\$232,750.00

A price analysis has been performed, and the Procurement Department has determined the price of Patco Industries Inc. 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 RTA Development Fund, Rail District Department budget, including but not limited to FTA Grant OH-2016-055, at a total price of \$180,565.00 (\$144,452.00 in Federal Funds represents 80% of the total cost) over a period of three years. The bid price is approximately 35.5% below the budget estimate.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would affect the Authority's ability to provide service to its customers.

- 8.0 RECOMMENDATION: It is recommended that the bid of Patco Industries Inc. be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 ATTACHMENT: 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