

RESOLUTION NO. 2025-13

AUTHORIZING CONTRACT NO. 2024-223 WITH MASABI, LLC TO PROVIDE FARE COLLECTION VALIDATORS IN AN AMOUNT NOT TO EXCEED \$324,980.00 FOR 30 CAR SETS AND AN OPTION TO PURCHASE UP TO 30 ADDITIONAL CAR SETS IN AN AMOUNT NOT TO EXCEED \$239,400.00, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$564,380.00 (RTA DEVELOPMENT FUND, INFORMATION TECHNOLOGY DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") requires fare collection validators as part of the required owner furnished equipment ("OFE") for the new railcar fleet being built by Siemens Mobility, Inc.; and

WHEREAS, the Authority currently utilizes Masabi, LLC validators throughout its system for fare collection; and

WHEREAS, R.C. 306.43(H)(3) provides that competitive bidding is not required when the expenditure is for a renewal or renegotiation of a lease or license for telecommunications or electronic data processing equipment, services, or systems, or for the upgrade of such equipment, services, or systems, or for the maintenance thereof as supplied by the original source or its successors or assigns; and

WHEREAS, the offer from Masabi, LLC, located at 1330 Avenue of the Americas Suite 23A, New York, NY 10019, for the purchase of fare collection validators in a negotiated amount not to exceed \$324,980.00.00 for the base 30 car sets with an option to purchase up to 30 additional car sets in an amount not to exceed \$239,400.00, for a total contract amount not to exceed \$564,380.00, was received on December 6, 2024; and

WHEREAS, the General Manager, Chief Executive Officer deems the offer from Masabi, LLC, 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 offer from Masabi, LLC for the purchase of fare collection validators for the railcar replacement program's owner furnished equipment be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and she is hereby authorized to enter into a contract with Masabi, LLC to provide fare collection validators for the base 30 car sets and an option for the purchase of an additional 30 car sets with approval to exercise said option.

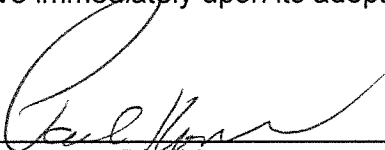
Section 3. That said contract will be funded through the RTA Development Fund, Information Technology Department budget, including but not limited to 100% local funds, in an amount not to exceed \$324,980.00 for the required quantity of 30 car sets and an option to purchase up to an additional 30 car sets in an amount not to exceed \$239,400.00, for a total contract not to exceed \$564,380.00.

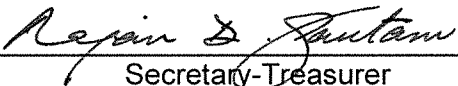
Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the specifications and addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Authority's Board of Trustees expects that Masabi, LLC 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: January 21, 2025

  
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President

Attest:   
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Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> RAILCAR FARE COLLECTION VALIDATORS FOR RAILCAR REPLACEMENT PROGRAM OWNER FURNISHED EQUIPMENT  <b>VENDOR:</b> MASABI, LLC  <b>AMOUNT:</b> NOT TO EXCEED \$324,980.00 FOR THE BASE 30 CAR SETS, AND IN AN AMOUNT NOT TO EXCEED \$239,400.00 FOR AN OPTION FOR UP TO AN ADDITIONAL 30 CAR SETS, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$564,380.00	<b>Resolution No.:</b> 2025-13
	<b>Date:</b> January 16, 2025
	<b>Initiator:</b> Information Technology 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 allow the Greater Cleveland Regional Transit Authority (“Authority”) to enter into a contract with Masabi, LLC to purchase fare collection validators for the new railcar fleet in a quantity of 30 car sets with an option for up to an additional 30 car sets.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority entered into an agreement to purchase new railcars from Siemens Mobility, Inc. (“Siemens”) to replace the current railcar fleet. The contract with Siemens requires the Authority to provide certain hardware and wiring from specific systems as owner furnished equipment (“OFE”) including fare collection validators.
- 3.0 **PROCUREMENT BACKGROUND:** R.C. 306.43(H)(3) provides that competitive procedures are not required when the expenditure is for a renewal or renegotiation of a lease or license for telecommunications or electronic data processing equipment, services, or systems, or for the upgrade of such equipment, services, or systems, or for the maintenance thereof, as supplied by the original source or its successors or assigns. Masabi, LLC is the original provider and manufacturer of the Authority’s on-board fare collection validation equipment.

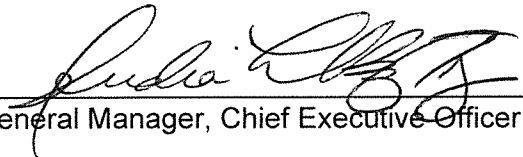
The Procurement Department received a proposal from Masabi, LLC on December 6, 2024. The proposal was reviewed by representatives from the Electronic Repair, Rail Equipment, Information Technology and Procurement departments and determined to be technically compliant and advantageous to the Authority. After negotiations, an amount not to exceed \$324,980.00 for the purchase of 30 car sets with an option to purchase up to an additional 30 car set in an amount not to exceed \$239,400.00, for a total contract amount not to exceed \$564,380.00, was agreed upon. This total price is approximately 10% above the independent cost estimate of \$506,050.00.

A cost analysis has been performed, and the Procurement Department has determined that the negotiated 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, Information Technology Department budget, including but not limited to 100% local funds, in an amount not to exceed \$324,980.00 for the required quantity of 30 car sets and an option to purchase up to 30 additional car sets in an amount not to exceed \$239,400.00, for a total contract not to exceed \$564,380.00.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would delay the Authority's ability to provide the fare collection validators and splitters for the new railcar fleet, putting the Authority at risk of delay to the build-schedules and additional cost for the railcars.
- 8.0 **RECOMMENDATION:** It is recommended that the offer from Masabi, LLC be accepted and the resolution adopted authorizing the General Manager, Chief Executive Officer 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.

  
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General Manager, Chief Executive Officer