

RESOLUTION NO. 2006-84

AUTHORIZING CONTRACT NO. 2006-045 WITH LYDEN OIL CO., FOR THE FURNISHING OF TRANSMISSION FLUID, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR, IN AN AMOUNT NOT TO EXCEED \$116,492.60 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET).

WHEREAS, the Greater Cleveland Regional Transit Authority requires the furnishing of transmission fluid for the routine maintenance in the Authority's revenue and non-revenue vehicles; and

WHEREAS, the bid of Lyden Oil Co., located at 3711 LeHarms Rd, Youngstown, Ohio 44515 for the furnishing of transmission fluid, as specified and as required, for a period of one (1) year was received on April 27, 2006, at unit prices resulting in an amount not to exceed one hundred sixteen thousand four hundred ninety-two & 60/100 dollars (\$116,492.60); and

WHEREAS, the bid of Lyden Oil Company was the sole responsive bid received in response to this solicitation; and

WHEREAS, in accordance with Ohio Revised Code Section 306.43(B), when fewer than two responsive bids are received, a regional transit authority may negotiate a price with the sole responsive bidder or may rescind the solicitation and re-procure the item; and

WHEREAS, after negotiations, an amount of one hundred sixteen thousand four hundred ninety-two & 60/100 (\$116,492.60) was agreed upon and was determined to be fair and reasonable to the Authority; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Lyden Oil Co., as negotiated, 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 negotiated bid of Lyden Oil Co. for the furnishing of transmission oil, as specified and as required, be accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Lyden Oil Co., for the furnishing of transmission fluid, as specified and as required, for a period of one (1) year.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, in an amount not to exceed one hundred sixteen thousand four hundred ninety-two & 60/100 dollars (\$116,492.60).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to the Specification and Addenda; if any, the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2006-077; 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 Lyden Oil Co. 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: May 16, 2006

President

Attest: _____
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2006-045 WITH LYDEN OIL CO. FOR THE FURNISHING OF TRANSMISSION FLUID, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$116,492.60 (GENERAL FUND - FLEET MANAGEMENT DEPARTMENT BUDGET).	Resolution No.: 2006-84
	Date: May 11, 2006
	Initiator: Fleet Management Department
ACTION REQUEST: <input 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 Authority to enter into a contract for the furnishing of transmission fluid, as specified and as required, for a period of one (1) year.
- 2.0 DESCRIPTION/JUSTIFICATION: This contract for transmission fluid is required in the routine maintenance of all revenue and non-revenue vehicles operated by the Authority.
- 3.0 PROCUREMENT BACKGROUND: The solicitation was posted on the GCRTA Procurement web site and advertised in the local newspapers. One (1) responsive bid was received on April 27, 2006. Due to the price fluctuations in the lubricant/petroleum industry other vendors were unable to hold their prices for a one (1) year period.

Ohio Revised Code Section 306.43(B) provides that in the case of a single bid being received, the Authority may negotiate the price bid with the vendor. Negotiations failed to achieve a price reduction from Lyden Oil Company. Price comparisons were based on historic pricing of transmission fluid. A summary of the prices are as follows:

<u>Lyden Oil Company</u>	<u>GCRTA Part #</u>	<u>Shipping</u>	<u>Usage</u>	<u>Cost per gallon</u>
Dextron III ATF	61-85	55 Gal Drum	990 Gallons	\$4.99
Dextron III ATF	61-85-A	Bulk	4500 Gallons	\$4.79
Synthetic ATF	61-86	55 Gal Drum	1925 Gallons	\$33.10
Synthetic ATF	61-86-A	Bulk	800 Gallons	\$32.85

The bid of Lyden Oil Co. has been determined by the Procurement Department to be a responsive bid from a responsible bidder. Lyden Oil Co. has provided services on previous contracts for transmission fluid. A price analysis has been performed and the Procurement Department has determined the price to be fair and reasonable to the Authority.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All DBE requirements have been met. A zero percent (0%) goal was set for this procurement, due to lack of certified contractors.
- 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 one hundred sixteen thousand four hundred ninety-two & 60/100 dollars (\$116,492.60). The bid price is approximately 10% below the \$127,922.00 estimated cost for this procurement.

- 7.0 ALTERNATIVES: Reject all bids. Rejection of this offer would delay procurement of transmission fluid leaving the Authority without enough transmission fluid to service the Authority's revenue and non-revenue vehicles causing potential disruptions in service.
- 8.0 RECOMMENDATION: It is recommended that the bid of Lyden Oil Co., be accepted and the resolution passed authorizing the 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

