

RESOLUTION NO. 2006-112

AUTHORIZING CONTRACT NO. 2006-071 WITH BP PRODUCTS NORTH AMERICA, INC. FOR THE FURNISHING OF UNLEADED GASOLINE, AS REQUIRED, IN AN AMOUNT OF \$486,000.00 FOR A ONE-YEAR PERIOD WITH TWO ONE-YEAR OPTIONS AT THE SAME ANNUAL AMOUNT THROUGH THE STATE OF OHIO COOPERATIVE PURCHASING PROGRAM AT A PROJECTED TOTAL AMOUNT NOT TO EXCEED \$1,458,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Authority has a need for unleaded gasoline to power its non-revenue trucks, cars and Paratransit vehicles, and

WHEREAS, unleaded gasoline is available from BP Products North America, Inc., located at 4850 East 49th Street, Cleveland, OH 44125 through the State of Ohio Cooperative Purchasing Program in an amount of four hundred eighty-six thousand & 00/100 (\$486,000.00) for a one-year period with two one-year options at the same annual amount for a projected total amount not to exceed one million four hundred fifty-eight thousand & 00/100 dollars (\$1,458,000.00); and

WHEREAS, the State of Ohio Cooperative Purchasing Act provides political subdivisions within the State of Ohio with the opportunity to participate in contracts executed by the State of Ohio Department of Administrative Services, Office of State Purchasing, for the purchase of supplies, services, equipment and certain materials; and

WHEREAS, Section 306.43(H)(4) of the Ohio Revised Code permits a Regional Transit Authority to participate in said program; and

WHEREAS, the Board of Trustees authorized utilization of the State of Ohio Cooperative Purchasing Program in Resolution No. 1990-69; and

WHEREAS, the General Manager/Secretary-Treasurer has deemed it in the best interest of the Authority to utilize the State of Ohio Cooperative Purchasing Program for the purchase of unleaded gasoline, as required, from BP Products North America, Inc. 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 of BP Products North America, Inc., for the furnishing of unleaded gasoline, as required, be and the same is hereby accepted as in the best interest of the Authority.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with BP Products North America, Inc., for the furnishing of unleaded gasoline, as required, for a one year period with two one-year options.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget in an amount of four hundred eighty-six thousand & 00/100 (\$486,000.00) for a one-year period with two one-year options at the same amount for a projected total amount not to exceed one million four hundred fifty-eight thousand & 00/100 dollars (\$1,458,000.00).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years, 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 BP Products North America, 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: June 20, 2006

President

Attest: _____
CEO, General Manager/ Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2006-071 WITH BP PRODUCTS NORTH AMERICA, INC. FOR THE FURNISHING OF UNLEADED GASOLINE, AS REQUIRED, IN AN AMOUNT OF \$486,000.00 FOR A ONE-YEAR PERIOD WITH TWO ONE-YEAR OPTIONS AT THE SAME ANNUAL AMOUNT THROUGH THE STATE OF OHIO COOPERATIVE PURCHASING PROGRAM AT A PROJECTED TOTAL AMOUNT NOT TO EXCEED \$1,458,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2006-112
	Date: June 15, 2006
	Initiator: Fleet Management 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 resolution will allow the Authority to enter into a contract for the purchase of unleaded gasoline through the State of Ohio Cooperative Purchasing Program for a one year period with two one-year options.
- 2.0 DESCRIPTION/JUSTIFICATION: The Authority utilizes approximately 13,500 gallons of unleaded gasoline per month to power its non-revenue trucks, cars and Paratransit vehicles.
- 3.0 PROCUREMENT BACKGROUND: The unleaded gasoline will be purchased from BP Products North America, Inc. through the State of Ohio Cooperative Purchasing Program. The Authority will procure unleaded gasoline as required at a unit cost of Oil Price Information Service (OPIS) plus \$0.12 per gallon. The Authority's previous contract with BP was OPIS plus \$0.128 per gallon. This will result in a cost avoidance of \$1,296.00 per year.

 The Board of Trustees has authorized the General Manager/Secretary-Treasurer to utilize the State Cooperative Purchasing Program by Resolution 1990-69. The price established under the state program is a result of a competitive solicitation and offered to all government entities.

 A price analysis was performed by the Procurement Department and the price has been determined to be fair and reasonable to the Authority.
- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: The Office of Business Development does not conduct Affirmative Action reviews or establish goals on procurements included in the State Cooperative Purchasing program.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: The contract will be funded through the General Fund, Fleet Management Department budget in an amount of four hundred eighty-six thousand & 00/100 dollars (\$486,000.00) for a one-year period with two one-year options at the same annual amount for a projected total contract amount not to exceed one million four hundred fifty-eight thousand & 00/100 dollars (\$1,458,000.00).
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this offer would result in the Authority paying current market value for unleaded gasoline, which would be significantly higher per gallon.

- 8.0 RECOMMENDATION: It is recommended that the offer of BP Products North America, Inc. 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