

RESOLUTION NO. 2006-140

AUTHORIZING CONTRACT NO. 2006-072 WITH UNIVERSAL OIL, INC. FOR THE FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$426,934.50 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority requires the furnishing of engine oil for lubrication in the Authority's vehicles; and

WHEREAS, the bid of Universal Oil, Inc., located at 265 Jefferson Avenue, Cleveland, Ohio 44113 for the furnishing of engine oil, as specified and as required, for a period of one (1) year was received on July 6, 2006, at unit prices resulting in an amount not to exceed four hundred twenty-six thousand nine hundred thirty-four & 50/100 dollars (\$426,934.50); and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Universal Oil, 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 Universal Oil, Inc. to furnish engine oil, as specified and as required, be and the same is hereby accepted as the lowest responsive bid from a responsible bidder.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Universal Oil, Inc. for the furnishing of engine oil, 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 four hundred twenty-six thousand nine hundred thirty-four & 50/100 dollars (\$426,934.50).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon compliance by the contractor to the Specifications and Addenda; thereto, 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 Universal Oil, 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: August 15, 2006

President

Attest: _____
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2006-072 WITH UNIVERSAL OIL, INC. FOR THE FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$426,934.50 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2006-140
	Date: August 10, 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 engine oil, as specified and as required, for a period of one (1) year.
- 2.0 DESCRIPTION/JUSTIFICATION: This contract for engine oil is necessary for the maintenance of the Authority's revenue and non-revenue vehicles with internal combustion; diesel, gasoline and CNG fueled engines. The Authority utilizes the different types of oil recommended by the different engine manufacturers of the revenue and non-revenue vehicles.
- 3.0 PROCUREMENT BACKGROUND: The Invitation for Bid (IFB) was posted on the GCRTA Procurement web site and advertised in the local newspapers. Two bids were opened on July 6, 2006. A summary is as follows:

Company's Name			
Universal Oil, Inc.	Lyden Oil Co.		
Cost per gallon	Cost per gallon	Annual Usage	Engine Oil
\$6.44	\$7.51	550 gallon	SAE 40W (55-Drum)
\$6.35	\$7.90	550 gallon	SAE 15W-40 (55-Drum)
\$7.80	\$7.65	7200 gallon	SAE 15W-40 (Bulk)
\$6.12	\$7.95	53000 gallon	SAE 15W-40 (Bulk)
\$7.16	\$8.31	5500 gallon	SAE 15W-40 (55-Drum)
Total Price	Total Price		
\$426,934.50	\$530,611.00		

The bid of Universal Oil, Inc. has been determined by the Procurement Department to be the lowest responsive bid from a responsible bidder. Universal Oil, Inc. has provided engine oil to the Authority on previous contracts. 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 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 General Fund, Fleet Management Department budget in an amount not to exceed four hundred twenty-six thousand nine hundred thirty-four & 50/100 dollars (\$426,934.50). The bid price is 4% below the budgeted amount for this procurement.
- 7.0 ALTERNATIVES: Reject all bids. Rejection of this offer would delay procurement of engine oil and risk not having engine oil available to maintain the engines in the Authority's revenue and non-revenue vehicles.
- 8.0 RECOMMENDATION: It is recommended that the bid of Universal Oil, 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

