

RESOLUTION NO. 2007-79

AUTHORIZING CONTRACT NO. 2007-041 WITH UNIVERSAL OIL, INC. FOR THE FURNISHING OF ANTIFREEZE, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$97,946.00 WITH AN OPTION FOR ONE (1) ADDITIONAL YEAR AT THE SAME AMOUNT FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$195,892.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

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

WHEREAS, the bid of Universal Oil, Inc. located at 265 Jefferson Avenue, Cleveland, Ohio 44515 for the furnishing of antifreeze, as specified and as required, for a period of one (1) year with an option for one (1) year was received on May 17, 2007; and

WHEREAS, said bid was the only responsive bid from a responsible bidder received in response to the 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; and

WHEREAS, after negotiation an amount not to exceed ninety-seven thousand nine hundred forty-six & 00/100 dollars (\$97,946.00) for the base year with an option for one (1) additional year at the same rate, was agreed to; and

WHEREAS, the General Manager/Secretary-Treasurer deems the offer of Universal Oil, Inc. 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 of Universal Oil, Inc. as negotiated, be and the same is hereby accepted as being 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 Universal Oil, Inc. for the furnishing of antifreeze, as specified and as required, for a period of one (1) year with the right to exercise the option for one (1) additional year at the bid price.


Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, in an amount not to exceed ninety-seven thousand nine hundred forty-six & 00/100 dollars (\$97,946.00) for the base year with an option for one (1) additional year at the same amount for a total contract amount not to exceed one hundred ninety-five thousand eight hundred ninety-two & 00/100 dollars (\$195,892.00).

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 Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2007-064; 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% DBE goal assigned to this procurement.

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

Adopted: June 19, 2007



President

Attest: 

CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2007-041 WITH UNIVERSAL OIL INC. FOR THE FURNISHING OF ANTIFREEZE, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$97,946.00 WITH AN OPTION FOR ONE (1) ADDITIONAL YEAR AT THE SAME AMOUNT FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$195,892.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2007-79
	Date: June 14, 2007
	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 action will allow the Authority to enter into a contract for the furnishing of antifreeze, as specified and as required, for a period of one (1) year with an option for one (1) additional year.

2.0 **DESCRIPTION/JUSTIFICATION:** This contract for antifreeze is required for the routine maintenance on all revenue and non-revenue vehicles operated by the Authority.

3.0 **PROCUREMENT BACKGROUND:** The Invitation For Bid (IFB) was posted on the procurement web site and advertised in the local newspapers. One responsive and responsible bid was received on May 17, 2007.

Ohio Revised Code Section 306.43(B) states that when fewer than two responsive bids are received, a regional transit authority may negotiate a price with the sole responsive bidder. Negotiations failed to achieve a price reduction from Universal Oil Inc. See Attachment A for price history on the purchase of antifreeze.

A cost analysis has been performed and the Procurement Department has determined that the price is fair and reasonable to the Authority based on historic pricing.

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 payable from the General Fund, Fleet Management Department budget, in an amount not to exceed ninety-seven thousand nine hundred forty-six & 00/100 dollars (\$97,946.00) for the base year with an option for one (1) additional year at the same amount for a total contract amount not to exceed one hundred ninety-five thousand eight hundred ninety-two & 00/100 dollars (\$195,892.00). The total price is approximately 3% below the estimate.

7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer could potential disrupt service and impact service quality.

8.0 **RECOMMENDATION:** It is recommended that the offer of Universal Oil, inc. be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.

9.0 ATTACHMENTS: Attachment A – Antifreeze Price History.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



CEO, General Manager/Secretary-Treasurer

**ATTACHMENT A
ANTIFREEZE PRICE HISTORY**

Contract No.	55 Gallon Drums	Bulk
98033	\$4.31 (9,000 gal)	\$4.09 (10,000 gal)
99109	\$5.09 (9,000 gal)	\$4.82 (10,000 gal)
2003-023	\$5.55 (3,900 gal)	\$5.55 (11,400 gal)
2005-023	\$6.89 (1,925 gal)	\$6.56 (12,000 gal)
2006	\$7.81 (2,000 gal)	\$7.48 (10,000 gal)
2007	\$7.62 (3,300 gal)	\$7.28 (10,000 gal)

Fully Formulated
Base Ingredient: Ethylene Glycol