

RESOLUTION NO. 2008-122

AUTHORIZING CONTRACT NO. 2008-185 WITH NORTHEAST LUBRICANTS, LTD. FOR THE FURNISHING OF TRANSMISSION FLUID, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$188,961.25 WITH AN OPTION FOR ONE (1) ADDITIONAL YEAR AT THE SAME AMOUNT FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$377,922.50 (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 Northeast Lubricants, Ltd., located at 4478 Johnston Parkway, Cleveland, Ohio 44128 for the furnishing of transmission fluid, as specified and as required, for a period of one (1) year at unit prices resulting in an amount not to exceed \$188,961.25 with an option for one (1) additional year at the same amount for a total contract amount not to exceed \$377,922.50 was received on August 4, 2008; and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of Northeast Lubricants, Ltd. 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 Northeast Lubricants, Ltd. for the furnishing of transmission fluid, as specified and as required for a period of one (1) year with an option for one (1) year be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with Northeast Lubricants, Ltd. for the furnishing of transmission fluid, as specified and as required, for a period of one (1) year with the authority to exercise an option for one (1) additional 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 eighty-eight thousand nine hundred sixty-one & 25/100 dollars (\$188,961.25) for a period of one (1) year with an option for one (1) additional year at the same amount for a total contract amount not to exceed three hundred seventy-seven thousand nine hundred twenty-two & 50/100 dollars (\$377,922.50).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds 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 2008-061; 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 Northeast Lubricants, Ltd. 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 19, 2008



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: AUTHORIZING CONTRACT NO. 2008-185 WITH NORTHEAST LUBRICANTS, LTD. FOR THE FURNISHING OF TRANSMISSION FLUID, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$188,961.25 WITH AN OPTION FOR ONE (1) ADDITIONAL YEAR AT THE SAME AMOUNT FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$377,922.50 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	Resolution No.: 2008-122
	Date: August 14, 2008
	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 with a one-year option.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The contract for transmission fluid is required for the routine maintenance of all revenue and non-revenue vehicles operated by the Authority.
- 3.0 **PROCUREMENT BACKGROUND:** The Invitation for Bids was posted on the GCRTA Procurement web site and advertised in the local newspapers. Bids were opened on August 4, 2008. There were two (2) bids submitted for this bid. A summary is as follows:

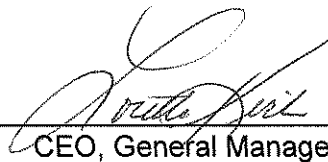
Company's Name			
Northeast Lubricants, Ltd.	Lyden Oil Co.		
Cost per gallon	Cost per gallon	Annual Usage	Engine Oil
\$8.40	\$11.90	1650 gallon	61-00085(55-Drum)
\$9.20	\$11.50	2050 gallon	61-00085-A (Bulk)
\$27.75	\$35.40	275 gallon	61-00086(55-Drum)
\$27.02	\$35.00	5500 gallon	61-00086-A (Bulk)
Total Annual Bid Price	Total Annual Bid Price		
\$188,961.25	\$245,445.00		

The bid of Northeast Lubricants, Ltd. has been determined by the Procurement Department to be a responsive bid from a responsible bidder. Northeast Lubricants, Ltd. 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 Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to 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 one hundred eighty-eight thousand nine hundred sixty-one & 25/100 dollars (\$188,961.25 for a period of one (1) year with an option for one (1) additional year at the same amount for a total contract amount not to exceed three hundred seventy-seven thousand nine hundred twenty-two & 50/100 dollars (\$377,922.50). The bid price is 7.5% below the \$250,000.00 cost estimate for the first year.
- 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 Northeast Lubricants, Ltd. 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