

RESOLUTION NO. 2009-11

AUTHORIZING CONTRACT NO. 2008-298 WITH NORTHEAST LUBRICANTS, LTD. FOR THE FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$382,168.00 (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 Northeast Lubricants, LTD., located at 4478 Johnston Parkway, Cleveland, Ohio 44128 for the furnishing of engine oil, as specified and as required, for a period of one (1) year was received on January 22, 2009, at unit prices resulting in an amount not to exceed three hundred eighty-two thousand one hundred sixty-eight & 00/100 dollars (\$382,168.00); 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 engine oil, as specified and as required, be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer be and he is hereby authorized to enter into a contract with Northeast Lubricants, LTD. 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 three hundred eighty-two thousand one hundred sixty-eight & 00/100 dollars (\$382,168.00).

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, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 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: February 17, 2009

  
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President

Attest:

  
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION:</b> AUTHORIZING CONTRACT NO. 2008-298 WITH NORTHEAST LUBRICANTS, LTD. FOR THE FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE (1) YEAR IN AN AMOUNT NOT TO EXCEED \$382,168.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)	<b>Resolution No.:</b> 2009-11
	<b>Date:</b> February 12, 2009
	<b>Initiator:</b> Fleet Management Department

**ACTION REQUEST:**

Approval  
  Review/Comment  
  Information Only  
  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 oils is necessary for the maintenance of the Authority's revenue and non-revenue vehicles with combustion; diesel, gasoline and CNG fueled engines. The Authority utilized 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 (2) bids were received on January 22, 2009 as follows:

<u>GCRTA Part No</u>	<u>Estimated Usage</u>	Northeast Lubricants	Universal Oil
		Unit Cost	Unit Cost
61-162A-Bulk	1,500 gal.	\$7.00	\$9.50
61-185-Bulk	55,000 gal.	\$6.72	\$7.15
61-185A-Drum	275 gal.	\$7.52	\$7.49
<b>Total Bid Price</b>		<b>\$382,168.00</b>	<b>\$409,559.75</b>

The bid of Northeast Lubricants, Ltd. has been determined by the Procurement Department to be the lowest responsive bid from a responsible bidder. Northeast Lubricants has provided services on the furnishing of engine oil on the Authority's last contract. 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 three hundred eighty-two thousand one hundred sixty-eight & 00/100 dollars (\$382,168.00).
- 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 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.

  
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CEO, General Manager/Secretary-Treasurer