

RESOLUTION NO. 2009-105

AUTHORIZING CONTRACT NO. 2009-152 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 \$292,488.80 WITH AN OPTION FOR ONE (1) ADDITIONAL YEAR IN AN AMOUNT NOT TO EXCEED \$307,113.24 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$599,602.04 (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 with an option for one (1) additional year was received on December 1, 2009, at unit prices resulting in an amount not to exceed five hundred ninety-nine thousand six hundred two & 04/100 dollars (\$599,602.04); 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, for a period of one (1) year with an option for one (1) additional year 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 with 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 two hundred ninety-two thousand four hundred eighty-eight & 80/100 dollars (\$292,488.80) with an option for one additional year in an amount not to exceed three hundred seven thousand one hundred thirteen & 24/100 dollars (\$307,113.24) for a total contract amount not to exceed five hundred ninety-nine thousand six hundred two & 04/100 dollars (\$599,602.04).

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon funding for future years and compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2009-023; 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: December 15, 2009



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: ENGINE OIL FOR A PERIOD OF ONE (1) YEAR WITH AN OPTION FOR ONE (1) ADDITIONAL YEAR VENDOR: NORTHEAST LUBRICANTS LTD. AMOUNT: \$599,602.04 FOR TOTAL CONTRACT AMOUNT	Resolution No.: 2009-105
	Date: December 10, 2009
	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 engine oil, 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 engine oils is necessary for the maintenance of the Authority's revenue and non-revenue vehicles with combustion; diesel and gasoline 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. Four (4) bids were received on December 1, 2009 as follows:

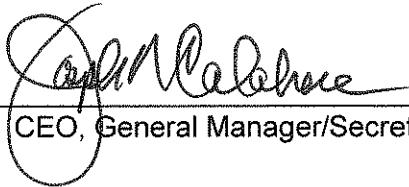
<u>GCRTA Part No</u>	<u>Estimated Usage</u>	<u>Northeast Lubricants Unit Cost</u>	<u>Universal Oil Unit Cost</u>	<u>Shrader Tire & Oil Unit Cost</u>	<u>Farley Co. Unit Cost</u>
61-164-Drum	605 gal.	\$ 5.25	\$ 6.44	\$ 6.64	\$ 8.10
61-185-Bulk	51,000 gal.	\$ 5.60	\$ 6.28	\$ 6.91	\$ 6.44
61-185A- Dr	165 gal.	\$ 6.30	\$ 6.54	\$ 7.31	\$ 6.94
61-187A Drum	495 gal.	\$ 5.40	\$ 6.54	\$ 7.00	\$ 8.30

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 five hundred ninety-nine thousand six hundred two & 04/100 dollars (\$599,602.04). The bid price is 15% below the budget estimate.
- 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.



CEO, General Manager/Secretary-Treasurer