

RESOLUTION NO. 2012-48

AUTHORIZING CONTRACT NO. 2012-052 WITH D – A LUBRICANT COMPANY, INC. FOR THE FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF SIX MONTHS IN AN AMOUNT NOT TO EXCEED \$190,416.00 (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 D – A Lubricant Company, Inc. located at 801 Edwards Drive, Lebanon, IN 46052 for the furnishing of engine oil, as specified and as required, for a period of six months was received on May 17, 2012, at unit prices resulting in an amount not to exceed one hundred ninety thousand four hundred sixteen & 00/100 dollars (\$190,416.00); and

WHEREAS, the General Manager/Secretary-Treasurer deems the bid of D – A Lubricant Co., Inc. to be a 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 D – A Lubricant Co., Inc. for the furnishing of engine oil, as specified and as required, for a period of six months 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 D – A Lubricant Co., Inc., for the furnishing of engine oil, as specified and as required, for a period of six months.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, for a total contract amount not to exceed one hundred ninety thousand four hundred sixteen & 00/100 dollars (\$190,416.00) for a period six months.

Section 4. That said contract shall be binding upon and an obligation of the Authority, compliance by the contractor to the Specifications and Addenda, thereto, if any: the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2012-036; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that D – A Lubricant Co., 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: June 18, 2012



President

Attest: 

CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED FOR A PERIOD OF (6) MONTHS VENDOR: D – A LUBRICANT COMPANY, INC. AMOUNT: NOT TO EXCEED \$190,416 FOR SIX (6) MONTH PERIOD	Resolution No.: 2012-48
	Date: June 14, 2012
	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 six (6) months.
- 2.0 **DESCRIPTION/JUSTIFICATION:** This contract for engine oil is necessary for the maintenance of the Authority's revenue and non-revenue vehicles. The Authority utilizes different types of oil as recommended by the different engine manufacturers of the revenue and non-revenue vehicles. A market study was conducted which demonstrated that pricing for oil durative products became more speculative after six months. In order to ensure a reliable supply of oil at the lowest price, the Authority solicited firm fixed pricing for six (6) months as opposed to a term of one year or more.
- 3.0 **PROCUREMENT BACKGROUND:** The Invitation for Bid (IFB) was advertised in the local newspapers and posted on the GCRTA Procurement web site. Three bids were received on May 17, 2012 as follows:


GCRTA Part No	Estimated Usage Gallons	D - A Lube \$	Northeast Lubricants Unit Cost	NOCO Dist Unit Cost
SAE 15W-40 61-185-Bulk	25,000	\$ 7.50	\$8.12	\$8.52
SAE 15W-40 61-185A- Drum	110	\$ 9.00	\$8.67	\$9.10
SAE 5W-20 61-187A Drum	225	\$ 8.56	\$7.63	\$8.10
Total		\$ 190,416.00	\$205,670.45	\$215,822.33

A price analysis has been performed and the Procurement Department has determined the bid of the D - A Lubricant Co. Inc., to be fair and reasonable to the Authority.

The bid price of \$7.50 for 61-185 is 5% below the Budget Estimate of \$7.92/gal.

- 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 shall be payable through the General Fund, Fleet Management Department budget at a total price not to exceed one hundred ninety thousand four hundred sixteen & 00/100 dollars (\$190,416.00) for a period of six months.
- 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 D – A Lubricant Company is 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