RESOLUTION NO. 2016-53

AUTHORIZING CONTRACT NO. 2016-063 WITH PETROLIANCE, LLC dba PETROCHOICE FOR THE FURNISHING OF ENGINE OIL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE YEAR IN AN AMOUNT NOT TO EXCEED \$258,106.00 (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 Petroliance, LLC dba PetroChoice, located at 8500 Clinton Rd. #1101B, Brooklyn, Ohio 44144 for the furnishing of engine oil, as specified and as required, for a period of one year was received on June 9, 2016, at unit prices resulting in a total contract amount not to exceed \$258,106.00; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the bid of Petroliance, LLC dba PetroChoice 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 Petroliance, LLC dba PetroChoice for the furnishing of engine oil, as specified and as required, for a period of one year be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer be and he is hereby authorized to enter into a contract with Petroliance, LLC dba PetroChoice for the furnishing of engine oil, as specified and as required, for a period of one year.

Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget, in an amount not to exceed \$258,106.00.

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. 2015-076; 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 Petroliance, LLC dba PetroChoice 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: July 26, 2016

President

Attest:

CEO, General Manager/Secretary-Treasurer

Form 100-326 07-03-97

Greater Cleveland Regional Transit Authority STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: CONTRACT: ONE YEAR REQUIREMENTS CONTRACT FOR ENGINE OIL			Resolution No.: 2016-53	
VENDOR:	PETROLIANCE, LLC	dba PETROCHOICE		Date: July 21, 2016
AMOUNT: AMOUNT NOT TO EXCEED \$258,106.00		Initiator: Fleet Management Department		
ACTION REQUEST:				
⊠ Approval	☐ Review/Comment	☐ Information Only	□ Other	

- 1.0 PURPOSE/SCOPE: This resolution 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 year.
- 2.0 DESCRIPTION/JUSTIFICATION: This contract for engine oil is necessary for the maintenance of the Authority's revenue vehicles with diesel fueled engines.
- 3.0 PROCUREMENT BACKGROUND: The Invitation for Bid (IFB) was posted on the GCRTA Procurement web site and advertised in the local newspapers. Twenty interested parties downloaded the solicitation. Six bids were received and two bids were found to be responsive and responsible bidders. The following is a summary of those two bids:

GCRTA Part No.	Estimated Usage	Petroliance, LLC dba PetroChoice	Northeast Lubricants
SAE 15W-40 61-185-Bulk	42,000 gals	\$4.65	\$5.38
SAE 15W-40 61-185A-Drum	275 gals	\$5.15	\$6.18
CNG 61-194 Bulk	12,000 gals	\$4.99	\$6.00
CNG 61-194A Drum	275 gals	\$5.49	\$6.80
Total		\$258,106.00	\$301,529.50

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 \$258,106.00. The bid price is approximately 24% below the budget estimate.
- 7.0 ALTERNATIVES: <u>Reject this offer</u>. Rejection of this offer would require the Authority to buy lesser quantities at a higher price.
- 8.0 RECOMMENDATION: It is recommended that the offer of Petroliance, LLC dba PetroChoice be accepted and the resolution passed authorizing the CEO, 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