

RESOLUTION NO. 2018-56

AUTHORIZING CHANGE ORDER #2 TO CONTRACT NO. 2016-106 FOR THE FURNISHING OF 87 OCTANE UNLEADED GASOLINE, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE YEAR WITH AN OPTION FOR ONE ADDITIONAL YEAR, IN AN AMOUNT NOT TO EXCEED \$250,000.00 (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS the Authority has a need for unleaded gasoline to power its non-revenue vehicles; and

WHEREAS, Resolution No. 2016-97 authorized Contract No. 2016-106 with Great Lakes Petroleum Co., for the furnishing of unleaded gasoline, as specified and as required, for a period of one year with an option for one additional year at a cost of \$.0235 per gallon below the average daily OPIS index was received on September 28, 2016; and

WHEREAS, in March 2018, the CEO, General Manager/Secretary-Treasurer authorized Change Order No. 1 in amount of \$98,000.00 to provide additional 87 octane unleaded gasoline; and

WHEREAS, due to an increase in requirements and the need to complete a new solicitation, Change Order No. 2 is now required to provide additional 87 octane unleaded gasoline to the Authority; and

WHEREAS, Great Lakes Petroleum Co., with offices located at 4500 Renaissance Parkway, Cleveland, OH 44128, has offered to supply up to an additional \$250,000.00 of 87 octane unleaded gasoline under the terms of original Contract No. 2016-106, resulting in a total contract amount not to exceed \$1,065,500.00; and

WHEREAS, the CEO, General Manager/Secretary-Treasurer deems the offer of Great Lakes Petroleum Co., to be fair and responsible to the Authority 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 Great Lakes Petroleum Co., for the furnishing of additional 87 octane unleaded gasoline, as specified and as required, be and the same is hereby accepted.

Section 2. That the CEO, General Manager/Secretary-Treasurer be and he is hereby authorized to modify Contract No. 2016-106 with Great Lakes Petroleum Co., for the furnishing of additional 87 octane unleaded gasoline, as specified and as required.

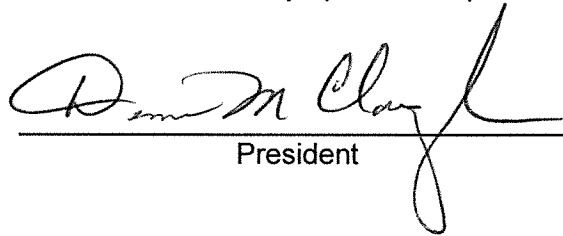
Section 3. That said increase shall be payable from the General Fund, Fleet Management Department budget. The cost of the 87 octane unleaded gasoline will fluctuate daily depending on the oil information service (OPIS) index. The proposed budget for this change order is forecasted in a not to exceed amount of \$250,000.00, for a total contract amount not to exceed \$1,065,500.00.

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. 2015-76; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

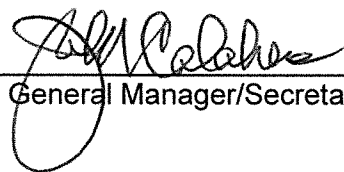
Section 5. That all terms and conditions of the original contract remain unchanged.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: June 19, 2018



President

Attest: 

CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING CHANGE ORDER #2 TO CONTRACT NO. 2016-106 FOR THE FURNISHING OF 87 OCTANE UNLEADED GASOLINE, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF ONE YEAR WITH AN OPTION FOR ONE ADDITIONAL YEAR VENDOR: GREAT LAKES PETROLEUM CO. AMOUNT: NTE \$250,000.00	Resolution No.: 2018-56
	Date: June 14, 2018
	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 resolution will authorize an increase to Contract No. 2016-106 with Great Lakes Petroleum Co for the furnishing of 87 octane unleaded gasoline for a period of two years (November 1, 2016 through October 31, 2018).
- 2.0 **DESCRIPTION/JUSTIFICATION:** The 87 octane unleaded gasoline is required to power the Authority's fleet of non-revenue vehicles.
- 3.0 **PROCUREMENT BACKGROUND:** In October 2016, the Board of the Greater Cleveland Regional Transit Authority, by Resolution No. 2016-97, authorized Contract No. 2016-106 with Great Lakes Petroleum Co. for the furnishing of 87 Octane Top Tier Detergent Unleaded Gasoline for a period of one year with an option for one additional year in an amount not to exceed \$717,500.00.


 In March 2018, the CEO, General Manager/Secretary-Treasurer authorized Change Order No.1 which added \$98,000.00 in additional funds to the contract for a new total contract not to exceed \$815,500.00. Due to accelerated usage to power new Paratransit and other public vehicles, the Authority now requires additional funding to continue to provide these services and allow time to complete the new solicitation, currently in process.

 This resolution will authorize an amount not to exceed \$250,000.00 to fund the current contract with Great Lakes Petroleum Co., for an additional three months to allow the Authority time to solicit and award a new contract for these services. This increase will result in a total contract amount not to exceed \$1,065,500.00. This change order request was reviewed and approved by the Change Order Committee.

 A price analysis has been performed and the Procurement Department has determined the price submitted by Great Lakes Petroleum Co., to be fair and reasonable to the Authority.
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE participation 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. The cost of the 87 octane unleaded gasoline will fluctuate daily depending on the oil price information service (OPIS) index. The cost per gallon will be minus \$.0235 below OPIS index. The proposed budget for this change order is forecasted in a not to exceed amount of \$250,000.00, for a total contract amount not to exceed \$1,065,500.00.
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this change order would significantly impact the Authority's ability to operate its fleet of paratransit and support vehicles.
- 8.0 RECOMMENDATION: It is recommended that the offer of Great Lakes Petroleum Co., be accepted and the resolution passed authorizing the CEO, General Manager/Secretary-Treasurer to modify the 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