



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 6.aa

Title: Recommendation to Waive the Formal Bid Procedure and Approve the Ordering of Gasoline and Diesel Fuel (Bio–Diesel) on an as Needed Basis for FY 2018/2019

Presenter: Michael Shortall

Meeting: Government Services Committee

Date: April 23, 2018

Proposed Cost: \$ 223,000

Budgeted Amount: \$ 223,000

Not Budgeted:

Executive Summary *(if not budgeted please explain):*

Staff is seeking approval to Waive the Formal Bid Procedure for ordering gasoline and diesel fuel for stock.

As in past years, Staff would like to spot buy fuel shipments on an as needed basis. Fuel suppliers will be asked to quote prices by 8:00 a.m. for same day delivery. The lowest quotation is awarded for delivery later that day.

Staff feels that this produces competitive pricing, allowing for the lowest fuel prices adjusting to market volatility.

Current list of vendors solicited include:

- Al Warren Oil CO
- Buchanan Energy
- Feece Oil
- Parent Petroleum
- Texor Petroleum
- Gas Depot Oil Co.

New vendors may be added to the list as they become known.

Attachments *(please list):*

*Bid Waiver Form

Recommendation/Suggested Action *(briefly explain):*

Recommendation to Waive the Bid Procedure and Approve the Ordering Gasoline and Diesel Fuel (Bio–Diesel) on an As Needed Basis for FY 2018/2019.

REQUEST FOR WAIVING BID PROCEDURE

We request the City Council to waive the bid procedure and accept the quotation (requiring two-thirds City Council vote) submitted by:

Various fuel suppliers, including, but not limited to Feece Oil, Parent Petroleum, Texor Petroleum, Al Warren Oil Co, Buchanan Energy, Gas Depot

For the purchase of: Gasoline/Diesel (Bio) Fuel

At a cost not to exceed: As spot purchases vary by quantity and price, total expected cost is not known. Total budget for gasoline per the FY 18/19 budget is

Reason for the request to waive the bid procedure: Spot buying allows the City to get the lowest quote available for that day as prices fluctuate.

Other Quotations Received: We solicit quotes from four (4) suppliers, when product is needed.

Date: 4/23/18

Requested by: Michael Shortall

Department Director: Peter Suhr

Purchasing Manager: Michael Shortall

THIS REQUEST FORM MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING COMMITTEE APPROVAL FOR WAIVING OF THE BID PROCEDURE. REQUESTS FORWARDED DIRECTLY TO THE CITY COUNCIL (AND BYPASSING COMMITTEE) MUST BE SIGNED BY ALL PARTIES PRIOR TO REQUESTING CITY COUNCIL APPROVAL. SUCH REQUESTS ARE TO BE OF AN EMERGENCY NATURE WHERE TIME IS OF THE ESSENCE.