



Legislation Details (With Text)

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Title: Approve the award of Option Year Three to Contract 18-025, Motor Fuel, to Luke Oil for an amount not to exceed \$1,000,000

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
2/15/2022	1	City Council	approved	Pass

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Option Year Three to Contract 18-025, Motor Fuel, to Luke Oil for an amount not to exceed \$1,000,000

DEPARTMENT: Department of Public Works

SUBMITTED BY: Richard Dublinski, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The Department of Public Works - Fleet Services (DPW) manages the diesel and unleaded motor fuel supply for the City's fleet. DPW also supplies fuel for School Districts 203 and 204, Naperville Public Library, and Naper Settlement. DPW dispenses approximately 250,000 gallons of unleaded gasoline and 130,000 gallons of diesel fuel per year.

In July 2018, the City Council awarded Contract 18-025 for motor fuel to Luke Oil for an 18-month term with three, one-year options to extend. The first option year was approved on February 4, 2020 and option year two was awarded on February 16, 2021.

DISCUSSION:

During the first two extensions of the contract, Luke Oil was immediately responsive to all motor fuel order requests. With few exceptions, fuel was delivered within one business day of order placement. In the event Luke Oil could not deliver within one business day they immediately responded with the reason (usually terminal supply-related) and the timeframe when the delivery would be available.

Based upon the vendor's performance, DPW recommends extending the contract for the third option year. Luke Oil has agreed to maintain the rates and terms provided for under the contract.

The term of the third option year is April 1, 2022 to March 31, 2023, with no option years remaining on the agreement.

FISCAL IMPACT:

CIP: N/A

Motor fuel is expensed to the fuel account listed below. A total of \$1,276,200 has been budgeted for fuel in 2022. The requested award is within the budgeted amount for this expense.

Account Number	Fund Description	Total Budget Amount
31351100-541403	General Fund	\$1,276,200