



Legislation Text

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File #: 21-0129, Version: 1

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**CITY COUNCIL AGENDA ITEM**

**ACTION REQUESTED:**

Approve the award of Option Year One to Contract 18-022, Motor Fuel Tank Wagon, to Heritage FS, Inc. for an amount not to exceed \$150,000

**DEPARTMENT:** Department of Public Works

**SUBMITTED BY:** Richard Dublinski, Director

**BOARD/COMMISSION REVIEW:**

N/A

**BACKGROUND:**

The purpose of this contract is to supply fuel to the City's above-ground tanks.

The Department of Public Works - Fleet Services Division (DPW) provides approximately 45,000 gallons of gasoline, 40,000 gallons of diesel fuel, and 10,000 gallons of off-road diesel fuel for vehicles and standby generators through the Springbrook Fuel Site.

In March of 2018, Contract 18-022, Motor Fuel Tank Wagon was approved by the City Council for a three-year term from April 1, 2018 through March 31, 2021, with two, one-year options to extend the contract.

**DISCUSSION:**

During the original term of the contract, Heritage FS, Inc. maintained appropriate fuel inventory levels at the generator sites and the above-ground storage tanks at the Springbrook fuel site. The vendor made more than 200 deliveries over the course of the contract, contacted staff to verify blend when temperatures were lower than usual, and offered winter blend earlier than is usually required.

Based upon the vendor's performance, DPW is recommending the extension of the contract for the first option year. Heritage FS, Inc. has agreed to maintain the rates and terms provided for under the contract.

The term of the first option year is April 1, 2021 to March 31, 2022, with one option year remaining on the agreement.

**FISCAL IMPACT:**

CIP #: N/A Motor fuel tank wagon is expensed to the fuel account listed below. A total of \$1,026,500 is budgeted for fuel in 2021. The requested award of \$150,000 is within the budgeted amount for this expense.

Account Number	Fund Description	Total Budget Amount
31351100-541403	General Fund	\$1,125,500