

City Council – Action Request Form

Date: August 8, 2022

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Johnnie Taylor, Assistant City Manager
 Patrice Toney, Assistant City Manager
 Shantell McClam, Purchasing Director

Council Action Requested:

Resolution Awarding Contract for Fuel Deliveries at City Locations

Summary of Information:

Deliveries for less than transport loads of fuel oil, highway diesel, and gasoline for vehicles and equipment is needed on a “keep full” and “as called for” basis for several City of Winston-Salem tank locations. An Invitation for Bid was issued for delivery services to transport these fuels based on an estimated annual quantity of 183,000 gallons of fuel. On May 4, 2022, bids were accepted as follows:

	<u>City/State</u>	<u>Avg. Cost/Gal</u>	<u>Total Cost</u>
Norcor Technologies Corp.	Charlotte, NC	\$0.14	\$ 25,620.00
Clinard Oil Co. Inc.	Thomasville, NC	0.2595	47,488.50
Quality Oil Company	Winston-Salem, NC	0.60	109,800.00

Terms of the bid require the successful bidder to purchase fuel as needed for deliveries using the daily spot price for the specific fuel as published by Oil Price Information Services (OPIS) and make deliveries to tank locations as needed. In addition to the bid terms required, documentation of daily fuel prices must be submitted with monthly invoices for price verification. Historically the City has spent the following for fuel and delivery charges: FY2020 - \$300,271.11, FY2021 - \$276,115.01, and approximately \$443,583.71 in FY2022.

Bid terms allow the contract to be extended annually for three (3) twelve-month terms if the successful bidder is willing to extend same or better pricing, contingent that both parties agree, and funds are available.

The apparent low bidder was Norcor Technologies Corp. After careful evaluation, the decision was made to reject Norcor’s bid. This determination was made due to Norcor’s experience, reliability and ability to fulfill the contract as required. The references provided did not show sufficient evidence to demonstrate Norcor’s ability to perform the contract.

Committee Action:

Committee	Finance 8/8/22	Action	Approval
For	Unanimous	Against	

Remarks:

It is recommended that a term contract be awarded to Clinard Oil Co., Inc. for fuel delivery services through June 30, 2023, in the estimated amount of \$47,488.50, bid terms allowing the contract to be extended for three (3) twelve-month terms making the estimated grand total amount \$189,954.00. It is also recommended that each department using this term contract create an annual blanket purchase order.

M/WBE Comment: See Exhibit A for complete list of businesses notified of the bid opportunity
Workplace Demographics: See Exhibit A