

City Council – Action Request Form

Date: May 21, 2018

To: The City Manager

From: Greg Turner, Assistant City Manager
Jerry Bates, Purchasing Director

Council Action Requested:

Adoption of 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 vehicle and equipment are needed on a “keep full” and “as called for” basis for several City of Winston-Salem tank locations. Invitation for Bid was issued for the delivery services only to transport these fuels based on an estimated annual quantity of 183,000 gallons of fuel. On April 24, 2018, bids were accepted as follows:

	<u>City/State</u>	<u>Delivery Cost/Gal</u>	<u>Total Delivery Cost</u>
James River Solutions, LLC	Ashland, VA	\$0.12564	\$22,992.12
Clinard Oil Co. Inc.	Thomasville, NC	0.23950	43,245.40

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 the bid terms require documentation of daily fuel prices be submitted with monthly invoices for price verification. Historical spending information for fuel and delivery charges were \$240,648 in FY2016, \$265,337 in FY2017, and will be approximately \$305,000 in FY2018. Finally, bid terms allow the contract to be extended annually if successful bidder is willing to extend same or better pricing, if both parties agree, and funds are available for this purpose.

It is recommended that a term contract be awarded to James River Solutions, LLC for fuel delivery services through June 30, 2019, in the estimated amount of \$22,992.12. It is also recommended that each department using this term contract will create an annual blanket purchase order using historical spend data provided.

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

Workplace Demographics: See Exhibit A

Committee Action:

Committee	Finance 5/14/18	Action	Approval
For	Unanimous	Against	

Remarks: