

Resolution #22-0465
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**RESOLUTION AWARDING CONTRACT FOR FUEL DELIVERIES AT CITY
LOCATIONS**

WHEREAS, 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; and

WHEREAS, after due advertisement, bids were accepted by the Purchasing Department at 10:00 a.m. on May 4, 2022, for fuel delivery services through June 30, 2023, based on an estimated annual quantity of 183,000 gallons; and the following bids were received:

	<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

The apparent low bidder was Norcor Technologies Corp. After careful evaluation, the decision was made to reject Norcor’s bid. Evaluation centered on 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; therefore

WHEREAS, it is the recommendation of the Finance Committee that a contract be awarded to Clinard Oil Co., Inc., the lowest responsible, responsive bidder, in the estimated amount of \$47,488.50 for fuel delivery services through July 31, 2023, based on an estimated annual quantity of 183,000 gallons.; bid terms allowing the contract to be extended for three (3) twelve-month terms, making the estimate grand total amount \$189,954.00.

WHEREAS, historical spending information for the fuel and delivery charges were \$300,271.11 in FY2020, \$276,115.01 in FY2021, and will be approximately \$443,583.71 in FY2022; and

WHEREAS, it is recommended that each department using this term agreement create an annual blanket purchase order using historical spending data for the delivery cost plus the daily spot market price for the fuel requested;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Winston-Salem, that a contract is hereby awarded to Clinard Oil Co., Inc. for fuel delivery services through June 30, 2023, based on an estimated annual quantity of 183,000 gallons in the estimated amount of \$47,488.50; bid terms allowing the contract to be extended for three (3) twelve-month terms, making the estimate grand total amount \$189,954.00, and that each department using this term agreement may create an annual blanket purchase order using historical spending data for the delivery cost plus the daily spot market price for the fuel requested.

BE IT FURTHER RESOLVED that the award of this purchase order constitutes a preliminary determination as to the qualifications of the bidder. The City is not legally bound to perform the contract until the contract is duly executed by the City.

BE IT FURTHER RESOLVED that funds have been appropriated in the FY 2022-23 budget in various accounts to cover the cost of this contract through June 30, 2023 and additional funding to cover future costs of any contract extensions is subject to future budget appropriation.