

**AGENDA ITEM REPORT**

DATE: September 21, 2021
DEPARTMENT: Procurement Management
REQUESTER: Mary Tucker
TITLE: Award Contract for the Purchase of Fuel - Countywide

I. MOTION REQUESTED

A) Award Invitation to Bid No. B200480ANB – Fuel Purchase – Annual, for an initial term of three years, as approved in the departments' annual adopted budgets, for the purchase of fuel by category, to the following vendors: Palmdale Oil Company, Inc. as primary vendor in category A, B, C, D, E; Petroleum Traders Corporation as secondary vendor in category A.
 B) Authorize the Chair to execute the contract documents on behalf of the Board of County Commissioners.
 C) Grant the County Manager or designee the authority to renew the contracts for up to three additional years, and to execute all associated documents, as approved in the departments' annual adopted budgets, if doing so is in the best interest of Lee County, and there are no cost increases associated with the renewals.

II. ITEM SUMMARY

Awards contracts to Palmdale Oil Company, Inc. and Petroleum Traders Corporation for the purchase of fuel Countywide. Vendor contracts are assigned according to category of fuel purchase to a primary or secondary. The County departments that purchase fuel under the annual contract are Transit (LeeTran), Fleet Management, Solid Waste, Utilities, Facilities Construction and Management, Public Safety, Department of Transportation, and Natural Resources. Total expenditures for these goods and services during Fiscal Year 2019-2020 were approximately \$4,210,972.45.

III. BACKGROUND AND IMPLICATIONS OF ACTIONA) Board Action and Other History

To verify fair and reasonable fuel pricing, Lee County uses the Oil Price Information Service (OPIS), a company that offers price transparency across the global fuel supply chain. Vendors providing fuel to the County charge a fixed markup over the OPIS average Tampa, Florida price per gallon as reported by OPIS through a daily report for Unleaded 87 and 89 Octane, and #2 Ultra Low Sulfur Diesel Clear and #2 Ultra Low Sulfur Diesel Dyed fuel. Using OPIS fuel price benchmarks as the base price for fuel purchasing supports the County's efforts to ensure the best price in real time without the need to process contract amendments or change orders.

On Friday, July 9, 2021, Procurement Management advertised Invitation to Bid No. B200480ANB Annual Fuel Purchase on behalf of the Board of County Commissioners. On the bidding deadline of August 10, 2021, procurement received six bids. After conducting an analysis on the bid submissions, staff recommends making an award for primary vendor (lowest responsive bid), secondary vendor (next lowest responsive bid) and a tertiary vendor (third lowest responsive bid) as applicable for each category as listed below:

Category A: Fuel by Transport Delivery	Vendor being Awarded
Primary Vendor	Palmdale Oil Company, Inc.
Secondary Vendor	Petroleum Traders Corporation
Category B: Fuel by Tank Wagon Delivery	Vendor being Awarded
Primary Vendor	Palmdale Oil Company, Inc.
Category C: OPIS (Optional Category)	Vendor being Awarded
Primary Vendor	Palmdale Oil Company, Inc.
Category D: Fuel for Pickup by County	Vendor being Awarded
Primary Vendor	Palmdale Oil Company, Inc.
Category E: Emergency Delivery Rate	Vendor being Awarded
Primary Vendor	Palmdale Oil Company, Inc.

B) Policy Issues

- C) BoCC Goals
- D) Analysis
- E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	See Comments below.
B)	Is this item approved in the current budget?	
C)	Is this a revenue or expense item?	
D)	Is this Discretionary or Mandatory?	
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	
F)	Fund: Program: Project: Account Strings:	
G)	Fund Type?	
H)	Comments: Expenditures will be on an as needed basis, as approved in the departments' annual adopted budgets.	

V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
Palmdale Oil Contract	9/7/2021	Contract
Petroleum Traders Contract - Part 1 of 3	9/7/2021	Contract
Petroleum Traders Contract - Part 2 of 3	9/7/2021	Contract
Petroleum Traders Contract - Part 3 of 3	9/7/2021	Contract

REVIEWERS:

Department	Reviewer	Action	Date
Procurement Management	Tucker, Mary	Approved	9/10/2021 - 10:26 AM
Budget Services	Henkel, Anne	Approved	9/10/2021 - 11:53 AM
Budget Services	Winton, Peter	Approved	9/10/2021 - 4:58 PM
County Attorney	Swindle, Amanda	Approved	9/13/2021 - 8:49 AM
County Manager	Winton, Peter	Approved	9/13/2021 - 8:56 AM