



## Legislation Text

---

**File #: 23-0406, Version: 1**

---

Consider and take action on a resolution authorizing: 1) a one-year renewal agreement with Bay Oil Company for the purchase and delivery of fuel and petroleum products for an amount not to exceed \$1,225,000 and 2) an amendment to the 2020 Agreement with Bay Oil Company to increase the total compensation by \$200,000 (Director of Public Works)

Approval of this resolution will authorize: 1) a one-year renewal agreement with Bay Oil Company for the purchase and delivery of fuel and petroleum products for \$1,225,000 to run through November 30, 2024 and 2) an amendment to the existing agreement with Bay Oil Company to increase funding by \$200,000 for the remaining term which ends November 30, 2023.

On November 10, 2020, Council approved a three-year agreement with Bay Oil Company RFP #20-FLEET-016 for the period of December 1, 2020, through November 30, 2023, in a total not to exceed amount of \$2,500,000, with two (2) additional one-year renewal options.

On, September 29, 2020, the City issued a Request for Proposal (RFP) #20-FLEET-016 for this item. Six (6) responses were received on October 19, 2020, from: Bay Oil Company, Colonial Oil, MidTex Oil, Pinnacle Petroleum, Suncoast Resources and Sundance Fuel. Five of the six submittals met the qualifications outlined in the RFP, with Colonial Oil being declared non-responsive due to an inability to provide fuel tanks in an emergency. A four-member evaluation team comprised of City Staff (Assistant City Manager, Director of Public Works, Fleet Manager, and Fleet Service and Parts Lead) evaluated all proposals.

Factoring in price, delivery history, and customer service, staff recommends the first amendment in the amount of \$200,000 to the original contract value of \$2,500,000 for a not to exceed amount of \$2,700,000. Additionally, staff recommends the first renewal option of the current contract agreement with Bay Oil Company in an amount not to exceed \$1,225,000 for a total four-year contract value of \$3,925,000.

Three-Year Original Contract - \$2,500,000  
First Amendment - \$200,000  
**Total Three-Year Contract - \$2,700,000**  
First One-Year Renewal - \$1,225,000  
**Total Four-Year Contract Value - \$3,925,000**

Bay Oil Company has agreed to the terms of this renewal/amendment and Staff's recommendation is to renew the agreement for the purchase and delivery of fuel and petroleum products based on performance history and fair market pricing.

Attachments:

1. Data Sheet
2. Proposed Resolution
3. Exhibit A1 - Agreement with Bay Oil Company (2023)
4. Exhibit A2 - First Amendment with Bay Oil Company (2020)
5. Contract Renewal Letter
6. Approved Data Sheet 11.10.20
7. Original Agreement
8. Vendor Report Card

CONTRACT ORIGINATION: Reviewed by the City Attorney's Office

**FUNDING**

{X} Funds are available in FY2024 from Motor Pool Fund. Funding in FY2024 totaling \$1,221,429 include:

\$1,016,151 to account 40103600-51455 Fuel Inventory Expense

\$90,000 to account 40103600-51457 Fuel Inventory Expense-FS #3

\$85,714 to account 40103600-51458 Fuel Inventory expense-FS #4

\$17,563 to account 10203600-52300 Vehicle Repair & Maintenance

\$3,857 to account 10207500-51450 Wastewater Gas & Oil

\$3,857 to account 10207300-51450 Water Gas & Oil

\$3,429 to account 4400000-51450 Sportsplex Gas & Oil

\$857 to account 3650000-51450 Facilities Gas & Oil

The remaining \$203,571 will be used in FY2025

**STRATEGIC PLANNING**

{X} Addresses Strategic Planning Critical Success Factor #1 - Develop and Maintain Our Infrastructure