

## Legislation Text

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**File #:** 20-4941, **Version:** 1

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Bid No. 2019-084 - Annual Supply of Petroleum Products.

(Authorize the City Manager to finalize and execute the first renewal of the contract with low bidder Southwest Distributing Company in the amount of \$85,544.80. The term of this renewal contract is for a one-year period with three one-year renewal options remaining. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds.)

### **Name of Department**

Public Works

### **Project/Budgeted Amount**

\$86,000.00

### **Sum of Bid/Bid Amount**

\$85,544.80

This bid is for non-fuel petroleum products required for the maintenance and service of the City fleet, including various grades of motor oil, gear oil, transmission fluids, hydraulic oil and greases.

The terms for last year's contract was for a one-year period with four additional one-year renewal options. This renewal represents the first of those renewal options. While the historical expense for this item has averaged less than \$60,000.00 for the last two years, staff recommends authorizing the amount approved last year (\$85,544.80) in anticipation of increased crude oil prices resulting in possible increased costs within the parameters of the contract, increased preventative maintenance on equipment and increased fluid consumption due to aging equipment. The City Manager is authorized to exercise the remaining renewal options, subject to annual appropriation of sufficient funds.

### **Financial Implications**

Funds have been allocated in the Fiscal Year (FY) 2019-20 budget and the FY 2020-21 budget.

### **Recommended/Desired Action**

Staff recommends award to Southwest Distributing Company.

### **Attachment(s)**

Bid Tabulation

### **Drafter**

Steven Glass, P.E.

### **Head of Department**

Matthew Holzapfel, P.E.