



Legislation Text

File #: 19-1244, **Version:** 1

DATE: November 22, 2019

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Kristine Brock, Assistant City Administrator / CFO
Brad Wilson, Projects and Facilities Manager
Brian Wilcox, Purchasing Manager

SUBJECT:

Consideration Of Procurement Award To Tristar Energy, LLC Of Nashville, Tennessee On A Cost-Plus Basis In The Estimated Total Amount Of \$14,600 Per Year For Supply And Delivery Of Winterized Diesel Fuel To Multiple Delivery Sites During A Term Of Award (Purchasing Office Procurement Solicitation No. 2020-004; Contract No. 2019-0361) (WS 12/10/19)

Purpose

The purpose of this procurement is to purchase the supply and delivery of winterized diesel fuel to multiple delivery sites during a term of award of one (1) year with four (4) options to extend the term of award, each option to be for up to one (1) additional year, for a maximum possible term of award of five (5) years total. The winterized diesel fuel is intended for the following uses: (a) stationary generators at multiple remote locations as specified (and any other sites that may be identified by the City during the term of award) as “will-call” sites; (b) off-road machinery and equipment at multiple remote locations as specified (and any other sites that may be identified by the City during the term of award) as “keep-full” sites; and (c) any other uses that may be identified by the City during the term of award, possibly including City fleet vehicles that operate on the road, at one or more remote locations as specified (and any other sites that may be identified by the City during the term of award).

Background

The City published on November 7, 2019 a Notice to Bidders in the *Williamson Herald* for supply and delivery of winterized diesel fuel to multiple delivery sites during a term of award. In addition, bid documents were sent on or about the same date directly to thirteen (13) potential bidders known or thought to be interested in this solicitation. Bids from one (1) supplier was publicly opened at the bid opening held on November 21, 2019. A tabulation of the bids received for this solicitation is attached.

Financial Impact

The responsible bidder that submitted the lowest priced responsive bid, TriStar Energy, LLC of Nashville, Tennessee, is in the amount of \$0.5000 per gallon over cost (wholesale rack average for ultra-low-sulfur diesel fuel at the Nashville terminal) for the specified supply and delivery upon demand of winterized diesel fuel.

This bid was identified because it is the lowest bid that meets or exceeds the City's intention as expressed and implied by the City's specifications as well as the instructions, terms and conditions pertaining to this procurement solicitation. For the estimated quantity of 6,000 gallons per year, and using the November 14, 2019 (which is the date the procurement solicitation specified for comparison purposes) Nashville wholesale rack average of \$1.9331 per gallon for ultra-low-sulfur diesel fuel, the estimated total value of this award is approximately \$14,600 per year. The invoiced charges are to be allocated to the operating budgets of the various City departments for which the fuel is purchased.

Options

In accordance with the bid documents, the City reserves the right to reject any and all bids.

Recommendation

Staff recommends that the City accept, contingent upon Law Department and City Administrator approval of City Contract No. 2019-0361, the apparent lowest best bid, from TriStar Energy, LLC of Nashville, Tennessee on a cost-plus basis in the estimated total amount of \$14,600 per year for supply and delivery of winterized diesel fuel to multiple delivery sites during a term of award, and award this procurement to this bidder. The City's Purchasing Manager believes the prepared solicitation documents as distributed allowed for competition among multiple service providers, and that the staff recommendation appears to be made in a fair and impartial manner based upon the proposals received. Pursuant to authority previously granted by the Board of Mayor and Aldermen, Contract No. 2019-0361 has been prepared for execution by the City Administrator and is attached pending approval by the Board of Mayor and Aldermen of the staff recommendation to accept the bid from and award the procurement to TriStar Energy.