

Legislation Text

File #: BILL NO. 20-191, **Version:** 1

An Ordinance approving the award of Contract No. 2021-001, to purchase Fuel Products and Services on an as-needed basis for a one-year term with up to four, one-year renewals to John Moore Oil Company and authorizing the City Manager to execute the same for the City of Lee's Summit, Missouri.

(Note: First reading by City Council on September 22, 2020. Passed by unanimous vote.)

Issue/Request:

An Ordinance approving the award of Contract No. 2021-001, to purchase Fuel Products and Services on an as-needed basis for a one-year term with up to four, one-year renewals to John Moore Oil Company and authorizing the City Manager to execute the same for the City of Lee's Summit, Missouri.

Key Issues:

- The City maintains multiple fueling stations to fuel City fleet vehicles, locations include Police, Water Utilities, Central Fleet, and the new fueling location on Main Street.
- Fuel is a commodity that changes in price throughout the day, therefore with the use of a contract the City locks in the mark-up on the fuel on an annual basis.

Proposed City Council Motion:

I move for adoption of an Ordinance approving the award of Contract No. 2021-001, to purchase fuel products and services on an as-needed basis for a one-year term with up to four, one-year renewals to John Moore Oil Company and authorizing the City Manager to execute the same for the City of Lee's Summit, Missouri.

Background:

The City uses regular gasoline (87 octane), high octane (91 octane), #1 and #2 diesel fuel, and #2 off-road diesel fuel.

The using departments, Fire, Police, Airport, Public Works, Development Center, Water Utilities, etc. budget for the purchase of fuel as part of their annual budget process.

The maintenance and upkeep of the fueling stations is managed by the City's Fleet Manager.

Impact/Analysis:

The City spends between \$500,000 and \$600,000 annually for fuel. The amount will vary depending upon the price the hauler has to pay at the pipeline loading point.

The last four fiscal years of fuel spend: FY17 \$512,000, FY18 \$610,000, FY19 \$605,000, and FY20 \$489,000

The recommendation by the Staff is the bidder, John Moore Oil Company, which had the lower mark-up for delivery of the fuel to the City's fueling stations. John Moore Oil Company has been servicing the City the past five years and has performed very well for the City.

Rick Gentry, Procurement and Contract Services Manager

Staff recommends approval of an Ordinance approving the award of Contract No. 2021-001, to purchase Fuel Products and Services on an as-needed basis for a one-year term with up to four, one-year renewals to John Moore Oil Company and authorizing the City Manager to execute the same for the City of Lee's Summit, Missouri.