

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE February 17, 2015	AGENDA ITEM NUMBER
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TO: Mayor Shoji and City Councilors

FROM: Susanne Baker, Finance Director

THROUGH: Rodger Craddock, City Manager

ISSUE: Fuel Services RFP Bid Award

BACKGROUND:

Because it had been quite some time since quotes for fuel services (gasoline and diesel) have been requested from local vendors, staff advertised and requested proposals (RFP). The City has been utilizing the fuel services for the City’s vehicle fleet from the card lock at Bassett-Hyland for many years and have been pleased with the quality and services provided. An RFP was in order as a matter of providing other vendors the opportunity to provide fuel services as well as ensuring the City was receiving the best pricing available. Two local vendors responded to the RFP and their bids are as follows:

OPIS (Oil Price Information Service) Rate Structure for		
January 6, 2015		
	City's Price	Annualized Price
Bassett-Hyland	1.86401	54,056.29
Carson-Davis Oil	1.73586	50,339.94
		3,716.35
	City's Price	
Bassett-Hyland	1.78811	16,092.99
Carson-Davis Oil	1.76776	15,909.84
		183.15
Total Savings		3,899.50

Both of the bids were based upon the OPIS (Oil Pricing Information System) rack price, which is the benchmark utilized by the oil industry on pricing. Areas that each vendor were to provide information on in which to help base the award as value added items included security, technology enhancements to prevent fraud, the ability to provide fuel services during an emergency, the ability to provide the same pricing structure to the City’s wastewater contractor (in an effort to reduce the City’s overall fees), the ability to use the card lock system throughout the state, and an ongoing best price guarantee. The contract will be for a five-year period with a possible three-year extension. Each department with a vehicle fleet reviewed the bids and unanimously recommended Carson-Davis Oil.

ADVANTAGES:

Awarding the bid to Carson-Davis Oil will provide an overall reduction in the gasoline and diesel billings.

DISADVANTAGES:

None.

BUDGET IMPLICATIONS:

The award of bid this fiscal year will provide some additional carryover in the budget.

RELATED CITY GOAL:

Finance: Ongoing Activities Aimed at Achieving Goal Priorities - Exercise fiscal responsibility and keep the City Council actively involved in monitoring the financial health of the City.

ACTION REQUESTED:

If it pleases the Council, award the fuel services bid to Carson-Davis Oil.