



Legislation Details (With Text)

File #: 17-0238R **Name:**

Type: Resolution **Status:** Passed

File created: 3/16/2017 **In control:** Purchasing and Licensing

On agenda: 3/27/2017 **Final action:** 3/27/2017

Enactment date: **Enactment #:**

Title: RESOLUTION AWARDING A CONTRACT TO HOLIDAY STATIONSTORES FOR SERVICE STATION FUELS FOR 2017 FOR AN AMOUNT NOT TO EXCEED \$618,750.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
3/27/2017	1	City Council	adopted	

RESOLUTION AWARDING A CONTRACT TO HOLIDAY STATIONSTORES FOR SERVICE STATION FUELS FOR 2017 FOR AN AMOUNT NOT TO EXCEED \$618,750.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into a contract with Holiday Stationstores for the purchase and delivery of service station fuels as needed for year 2017 for an amount not to exceed \$618,750.00, payable from 660-015-5212 (Fleet Services Fund; Public Administration; Motor Fuels)

STATEMENT OF PURPOSE: This resolution awards a contract to Holiday Stationstores (Holiday) for service station fuels through 2017. The initial contract period will run from April 1, 2017 through December 31, 2017 with four one-year renewal options.

The final fuel price is based on a fixed constant of \$.03 cents per gallon over the Duluth daily refinery rack rate average. This is a decrease of \$.02 cents per gallon from the current price. The estimated contract cost is based on historical usage and rack rates.

The purchasing division posted an Invitation for Bids on February 21, 2017, and received two bids by the due date. The bids were evaluated based on the total overall cost to the City, factoring in the bid price, location and accessibility of service stations, and data and reporting capabilities. Although Kwik Trip's bid price per gallon was lower than Holiday's, it was not enough to offset the additional costs the city would incur as a result of the reduced number and location of service stations.

	<u>Bid Price per Gallon</u>	<u>Number of Stores</u>
Holiday Stationstores	\$.03 over rack rate	13
Kwik Trip, Inc.	\$.00 over rack rate	4