



Legislation Details (With Text)

File #: 18-0088R
Type: Resolution
File created: 1/12/2018
On agenda: 1/22/2018
Name:
Status: Passed
In control: Purchasing and Licensing
Final action: 1/22/2018
Title: RESOLUTION AUTHORIZING RENEWAL OF AN ANNUAL CONTRACT WITH HOLIDAY STATIONSTORES FOR THE PURCHASE AND DELIVERY OF SERVICE STATION FUELS FOR 2018 FOR AN AMOUNT NOT TO EXCEED \$775,000.

Sponsors:

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Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
1/22/2018	1	City Council	adopted	

RESOLUTION AUTHORIZING RENEWAL OF AN ANNUAL CONTRACT WITH HOLIDAY STATIONSTORES FOR THE PURCHASE AND DELIVERY OF SERVICE STATION FUELS FOR 2018 FOR AN AMOUNT NOT TO EXCEED \$775,000.

CITY PROPOSAL:

WHEREAS, the Duluth city council approved award of an annual contract with Holiday Stationstores, Resolution 17-0238R on March 27, 2017.

RESOLVED, that the proper city officials are authorized to execute renewal of the contract with Holiday Stationstores in year 2018, the second year of the five-year contract, for purchase and delivery of service station fuels during year 2018 for an amount not exceed \$775,000, payable from 660-015-5212 (Fleet Services Fund; Public Administration; Motor Fuels).

STATEMENT OF PURPOSE: This resolution authorizes the renewal of an annual contract with Holiday Stationstores for the purchase and delivery of service station fuels for 2018. This is a 5-year contract, this renewal will be the second year of that contract, with three (3) one-year renewal options remaining. Over the five year period, the final fuel price is based on a fixed constant of \$.03 cents per gallon over the Duluth daily refinery rack rate average.

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.