



Council Agenda Item _____

MEETING DATE: , 2025

SUBJECT/TITLE: RESOLUTION 25-0926R, A RESOLUTION AUTHORIZING THE ANNUAL CONTRACT TO WEX BANK FOR GASOLINE, DEISEL, AND DEF FLUID FROM CIRCLE K SERVICE STATION FOR AN ANNUAL ESTIMATED AMOUNT NOT TO EXCEED \$1,108,800.00.

SUBMITTED BY: William Bourassa, Fleet Services Division

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: N/A

PREVIOUS COUNCIL ACTION:

BACKGROUND: This resolution awards a contract to Wex Bank for Circle K service station fuels in 2026. This is the fifth year of the contract period which will run from January 1, 2026 through December 31, 2026, there are no remaining renewals on this contract.

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

The purchasing division posted an Invitation for Bids on October 4, 2022 and received two responsive 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.

	Bid Price per Gallon	Number of Stores
Holiday Station stores (now known as Circle K)	\$.02 over rack rate	8

Kwik Trip, Inc.	\$.02 over rack rate	9
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BUDGET/FISCAL IMPACT: Proper city officials are authorized to contract for the purchase of fuels from WEX Bank through Circle K service stations for an annual estimated amount not to exceed \$1,108,800.00 payable from fund 660-015-5212 (fleet services; Public Administration; motor fuels)

OPTIONS: Approve to continue supporting the purchase of motor fuels with a negotiated rate for the use in City owned and leased vehicles and equipment.

NECESSARY ACTION: Approve the contract for the purchase of motor fuels from WEX Bank through Circle K service stations.

ATTACHMENTS: Exhibit A – Cover Memo