

Extension of Bulk Fuel Bid for Unleaded, Bio Diesel and Diesel

November 13, 2012

SUMMARY:

This item requests approval of the extension of CSP 101116, Unleaded, Bio Diesel and Diesel Fuel, for one additional term of twelve months with Martin Eagle Oil.

BOARD GOAL:

VI. Growth, Change & Fiscal Responsibility... demonstrate effective and efficient management of district resources.

PREVIOUS BOARD ACTION:

The current bid was approved on December 14, 2010 for the first term of two years with the option to extend the contract, upon governing body approval, for one additional term of twelve months.

BACKGROUND INFORMATION:

While Texas law allows for fuel to be quoted as needed instead of bid, the district has preferred to bid a constant fuel price per gallon over the Fuel Index Price per gallon instead. This method has worked very well and allowed the ordering of fuel to run more smoothly.

SIGNIFICANT ISSUES:

With fuel prices changing almost daily, locking in the constant will assure the best price for the district.

FISCAL IMPLICATIONS:

Cost will be borne by the Transportation Department budget.

BENEFIT OF ACTION:

Passage will allow the transportation department to expedite fuel purchases at the price for that day.

PROCEDURAL AND REPORTING IMPLICATIONS:

None

PUBLIC COMMENT RECEIVED:

None

ALTERNATIVES:

The alternative will be to quote fuel prices as needed.

OTHER COMMENTS:

None

SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the contract for unleaded, bio diesel and diesel fuel be extended for one term of twelve months to Martin Eagle Oil.

STAFF PERSONS RESPONSIBLE:

Alyce Hamman, Purchasing Buyer
Kathy Arrington, Purchasing Agent
Aaron Robbins, Director of Transportation
Debbie Monschke, Executive Director of Administrative Services

ATTACHMENT:

None

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____