

RFP# 1709-03 Propane Fuel

October 24, 2017

SUMMARY:

This item requests approval of RFP 1709-03 for propane fuel for the Transportation Department.

BOARD GOAL:

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

PREVIOUS BOARD ACTION:

The previous two-year bid was approved on December 8, 2015.

BACKGROUND INFORMATION:

While the district is not required to bid fuel per Ed. Code Chapter 44.031, bidding a constant fuel price per gallon the district would avoid price increases that may occur and save time by not having to obtain quotes for each purchase. This will also allow the Transportation Department to work with a vendor to develop a consistent delivery schedule.

SIGNIFICANT ISSUES:

Proposals were submitted by two (2) companies, Enderby Gas and Northwest Propane Gas Co. With fuel prices fluctuating daily, locking in the constant will ensure the best price for the district. The district currently operates 130 buses that are propane out of a total fleet of 206 buses.

<u>Proposer</u>	<u>Ranking</u>	<u>Total Estimated Spending</u>
Northwest Propane Gas Co.	1	\$1,118,280.97
Enderby Gas	2	\$1,120,802.98

FISCAL IMPLICATIONS:

The cost will be paid from the Transportation Department budget.

BENEFIT OF ACTION:

Passage will allow the Transportation Department to expedite fuel purchases and develop a delivery schedule for propane fuel.

SUPERINTENDENT'S RECOMMENDATION:

It is recommended that Northwest Propane Gas Co., be accepted as the awarded vendor for one term of three (3) years (November 1, 2017 through October 31, 2020) with an estimated spend of \$1,118,280.97.

STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Assistant Superintendent of Administrative Services
Jim Watson, Director of Transportation
Cindy Willis, Director of Purchasing
Cheryl Farmer, Assistant Purchasing Agent

ATTACHMENTS:

Proposal Tabulation and Ranking

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Signature of Divisional Assistant Superintendent: _____

Signature of Superintendent: _____