

# Bulk Fuel Proposal for Unleaded, Bio Diesel and Diesel

October 25, 2016

## SUMMARY:

This item requests approval of CSP 161012, Unleaded, Bio Diesel and Diesel Fuel.

## BOARD GOAL:

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

## PREVIOUS BOARD ACTION:

Previous proposal was approved on November 12, 2013

## 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. This proposal is intended to run for two years, ending November 2018, with the option to extend the proposal, upon governing body approval, for three additional terms of twelve months.

Three proposals were received from Indigo Energy, Martin Eagle Oil, and Sun Coast Resources. Martin Eagle Oil submitted the over-all low proposal.

The proposal requested pricing on an estimated total of three fuel categories; unleaded 87 octane fuel, ultra low sulfur #2 LED diesel fuel and multi feedstock bio-diesel B20 ULS #20. Martin Eagle submitted the over-all low proposal with a total estimated bulk fuel proposal price of \$245,432.00. Indigo Energy was second with a total of \$262,402.00. Sun Coast Resources submitted a No Bid for the Multi Feedstock Bio-Diesel, leaving them with an incomplete proposal.

## 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.

## SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the low proposal submitted by Martin Eagle Oil be accepted for a term of two years with the option to extend the proposal, upon governing body approval, for three additional terms of twelve months.

## STAFF PERSONS RESPONSIBLE:

Debbie Monschke, Assistant Superintendent of Administrative Services  
Cindy Willis, Director of Purchasing  
Alan Wilcox, Transportation Supervisor  
Cheryl Farmer, Assistant Purchasing Agent

## ATTACHMENT:

Proposal Tabulation

## APPROVAL:

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Signature of Divisional Assistant Superintendent: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_