

# Bulk Fuel Bid for Unleaded, Bio Diesel and Diesel

December 14, 2010

## SUMMARY:

This item requests approval of CSP 101116, Unleaded, Bio Diesel and Diesel Fuel. Three bids were received by Martin Eagle Oil, Douglass Distributing, and Gulf Coast Energy. Martin Eagle Oil submitted the over-all low bid.

## BOARD GOAL:

**VI. Growth, Change& Fiscal Responsibility...In pursuit of excellence, the district will:** be environmentally responsible and aggressively pursue energy efficiency and conservation principles in building design, transportation alternatives, and operating procedures...

## PREVIOUS BOARD ACTION:

October 21, 2008 the previous bid was approved.

October 13, 2009 previous bid was extended.

October 26, 2010 Bid 100927-F was rejected.

## 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 bid is intended to run for two years, ending November 30, 2012, with the option to extend the bid, upon governing body approval, for one additional term of twelve months.

Martin Eagle submitted in their bid a constant fuel price for unleaded fuel of negative .0442, diesel negative .0107, and bio diesel negative .1521. Douglass Distributing submitted a constant of negative .0280 for unleaded, negative .0095 for diesel, and negative .0425 for bio diesel. Gulf Coast Energy submitted a constant price of positive .0587 for all three categories of unleaded, diesel and bio diesel.

## 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.

## ALTERNATIVES:

None

## SUPERINTENDENT'S RECOMMENDATION:

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

## STAFF PERSONS RESPONSIBLE:

Alyce Hamman, Purchasing Buyer

Kathy Arrington, Purchasing Agent

Gene Holloway, Director of Transportation

Debbie Monschke, Executive Director of Administrative Services

## ATTACHMENT:

Bid Tabulation

## APPROVAL:

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

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

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