

**Propane Fuel CSP 111011-P**  
**October 25, 2011**

**SUMMARY:**

This item requests approval of CSP 111011-P for Propane Fuel. Bids were received from Enderby Gas and Northwest Propane.

**BOARD GOAL:**

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

**PREVIOUS BOARD ACTION:**

The previous two year bid was approved on November 10, 2009.

**BACKGROUND INFORMATION:**

While the district is not required to bid fuel per Ed. Code Chapter 44.031, quoting each fuel purchase has become very tedious. It was decided that by bidding a constant fuel price per gallon over the Fuel Index Price per gallon, the district would save an enormous amount of time, and cut out excessive price increases.

Propane bid is for a term of two years because the propane market receives a better constant for a longer contract. The term, upon Governing Body approval, will run from December 1, 2011 through November 30 2013.

Northwest Propane bid a constant of \$0.09776 and Enderby Gas bid \$0.3268.

**SIGNIFICANT ISSUES:**

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

**FISCAL IMPLICATIONS:**

The fiscal implication is unknown due to the volatile fluctuation of the fuel market.

**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 continue to request prices by quotation

**OTHER COMMENTS:**

None

**SUPERINTENDENT'S RECOMMENDATION:**

It is recommended that the low bid submitted by Northwest Propane be accepted for one term of two years.

**STAFF PERSONS RESPONSIBLE:**

Kathy Arrington, Purchasing Agent  
Alyce Hamman, Purchasing Buyer  
Aaron Robbins, Director of Transportation  
Debbie Monschke, Executive Director of Budget and Finance

**ATTACHMENT:**

Bid Tabulation and Ranking

**APPROVAL:**

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

Comments: \_\_\_\_\_

Signature of Divisional Leader: \_\_\_\_\_

Comments: \_\_\_\_\_

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

Comments: \_\_\_\_\_