

Bulk Fuel Bid for Unleaded, Bio Diesel and Diesel

October 26, 2010

SUMMARY:

This item requests that bid 100927F, for Unleaded, Bio Diesel and Diesel Fuel be rejected. Bids were received from Martin Eagle Oil and Douglas Distributing.

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.

BACKGROUND INFORMATION:

The Texas Education Code sect. 44.031 a allows for fuel to be quoted as needed. The district has preferred, by bidding, to lock in a constant fuel price per gallon above the Fuel Index Price per gallon. This method has worked well, and caused the ordering of fuel to run more smoothly.

The current bid expires on October 31, 2010. The Transportation staff will be able to quote any fuel needed until a new bid can be received and approved by the Board

SIGNIFICANT ISSUES:

The bulk fuel bid is based on the average daily rack price per gallon oil index price service (OPIS). Unknown to our transportation staff, the EPA made a change to the way the rack price is established for diesel. This caused confusion for our bidders.

The committee included Gene Holloway, Director of Transportation, Allen Wilcox Shop Forman, Alyce Hamman, Purchasing Buyer and Kathy Arrington, Purchasing Agent. After discussing the changes, our committee decided it would be best to reject the entire bid and rebid with the most current specifications.

FISCAL IMPLICATIONS:

None

BENEFIT OF ACTION:

Rejection will allow the district to rebid the purchase of bulk fuel.

PROCEDURAL AND REPORTING IMPLICATIONS:

None

SUPERINTENDENT'S RECOMMENDATION:

It is recommended that the bid for Bulk Fuel be rejected and rebid according to the new EPA guidelines.

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: _____