

FUEL PURCHASE

January 2023 through December 2023



HOW WE BUY FUEL



CITY OF FORT WORTH BID

- Competitively Bid
- One (1) Year Contract
- Awarded December 17, 2019
- Renewed October 7, 2022
- One (1) Renewal remaining



BEST VALUE

- Large Volume Bid
- More purchasing power than the City of Burleson has on its own
- Lower cost than Retail Fuel



ANNUAL AGREEMENTS

- Inter-local to use Ft Worth Contract
- Agreement with City of Ft Worth in place since September 22, 2008
- Renewal timed to coincide with City of Ft Worth contract renewal



WHAT WAS APPROVED



COUNCIL APPROVED

- Approved Purchases from January 2022 thru the end of December 2022
- Current Authorized Amount \$578,858.50



COMMODITY PRICING

- Contract uses OPIS Rack Pricing for Dallas Area
 - OPIS Pricing updated Daily
 - Gasoline has decreased 9% From Jan. 22 - Nov. 22
- Diesel has increased 40% From Jan. 22 - Nov. 22



FUNDING REQUEST

- Total Projected Fuel Budget for Jan. 23 to Dec.23 - \$711,712.00
- \$143,762.00 of the Total Fuel Budget is a Contingency Amount due to fuel volatility
- Anticipated Fuel Usage is \$567,950.00



AUTHORIZATION & RENEWAL

- December 12, 2022, City Council Action will allow for the purchase of Fuel from Jan. 2023 through Dec. 2023
- The City of Ft Worth renewed their annual Fuel Contract on October 7, 2022

Type text

2023 FUEL RECOMMENDATION

Continue with Contract

- Staff Recommends continuing the Inter-Local Agreement with the City of Fort Worth to purchase fuel from Mansfield Oil
- Contract was competitively bid
- Contract has one (1) renewal remaining
- City of Ft Worth renewed their annual contract on October 7, 2022
- Renewal will extend the contract from January 1, 2023, to December 31, 2023
- The size of the City of Fort Worth contract gives the City of Burleson better purchasing power than could be achieved through purchasing our own fuel (Smaller volume of fuel)
- This request would Authorize the City Manager to execute the contract thru the interlocal agreement



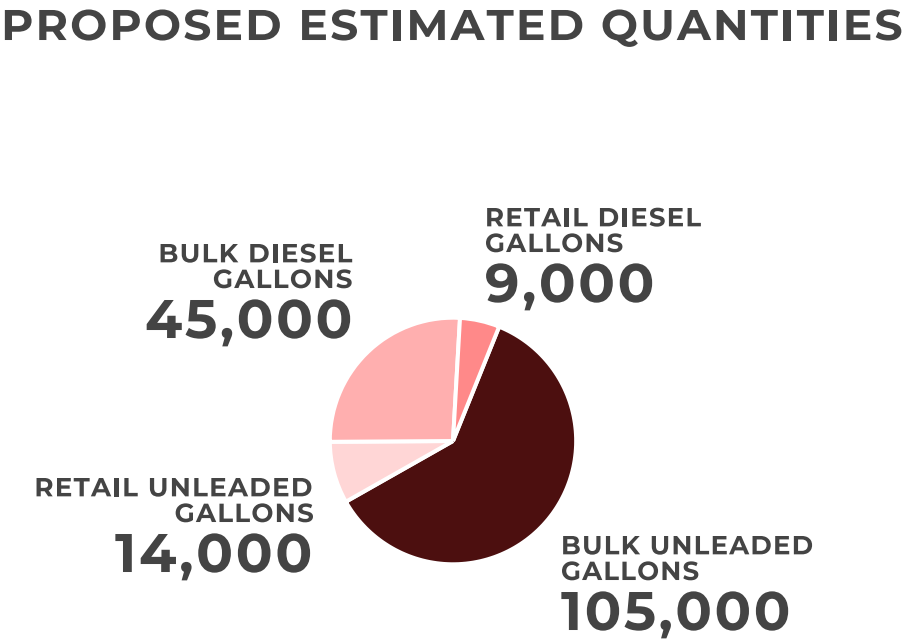
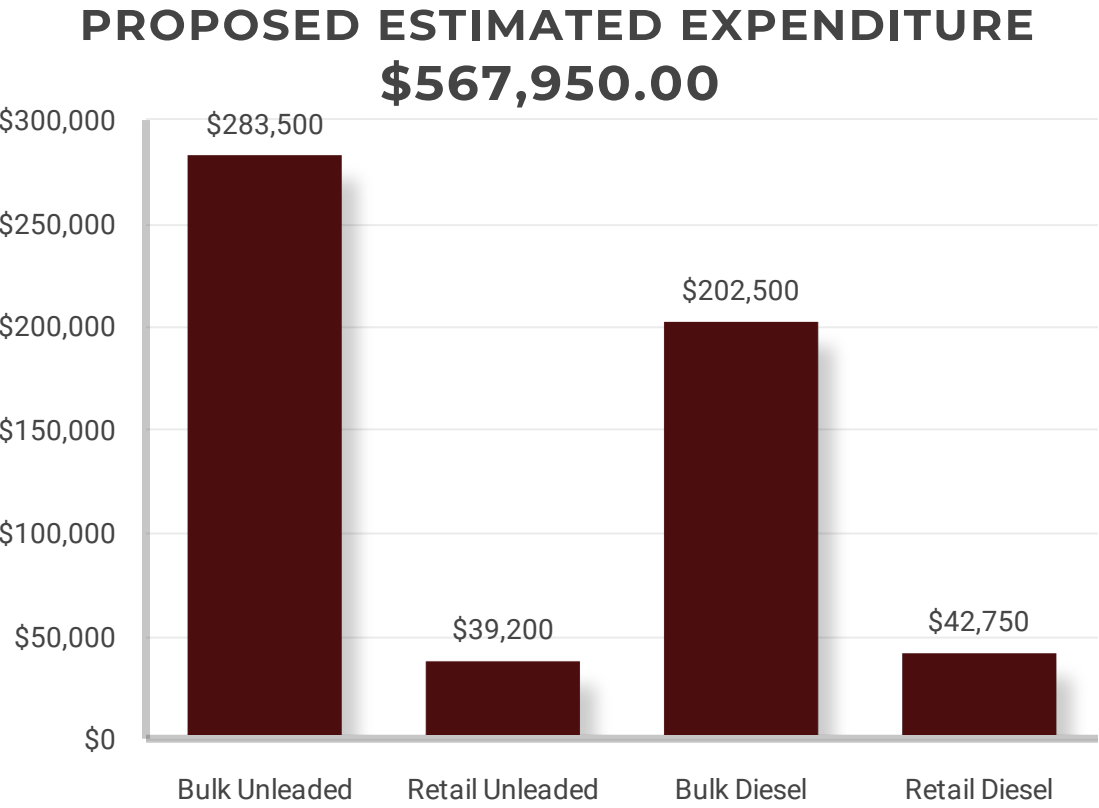
REDUNDANCY

Retail Fuel

- The City of Fort Worth contract allows the City of Burleson to utilize the WEX fuel network to purchase fuel at nationwide retailers thru Mansfield Oil of Gainesville
- Retail provides backup to the Service Center fuel system in the event of failure or maintenance to the Bulk Fuel System
- Retail fuel cards give staff the ability to fuel off-site without paying Federal Tax on fuel purchases when on out-of-town business
- The off-site purchases are connected to the Fleet work management system thru WEX / Mansfield Oil to log who, what, when, and where purchases were made in the same manner as the bulk fuel delivered to the Service Center by Mansfield Oil
- Fire Apparatuses are allowed to purchase fuel at the closest location to their station to reduce time out of service and keep these assets in their service area. This reduces cost associated with traveling to the service center to fuel the apparatus
- The Police Traffic Motorcycle unit fuels at retail locations as their units require higher Octane fuel at a higher price than the rest of the fleet, other Police Assets are allowed to Fuel at Retail location at Command Staff discretion



PROPOSED CALENDAR YEAR 2023 ESTIMATE



OPTIONS

APPROVAL RECOMMENDED



APPROVE

Approval of a contract with Mansfield Oil Company of Gainesville through an inter-local agreement with the City of Fort Worth in the amount not to exceed \$711, 712.00 and authorize the City Manager to execute the agreement subject to renewal process by the City of Fort Worth



DENY

