



CITY COUNCIL CONSIDERATION ITEM CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action approving a resolution authorizing the execution of an agreement with IWC Oil & Refinery, LLC for on-site fuel delivery.

DATE: April 4, 2024

DEPARTMENT: Finance

PRESENTED BY: Clayton Hoelscher, Procurement Manager

INTRODUCTION/BACKGROUND:

On September 7, 2023, the City Council approved the purchase and installation of an above ground fuel tank to be located on the city campus. Having an on-site fuel tank will improve emergency preparedness and operational resiliency by ensuring City vehicles, including public safety vehicles, can continue to operate in the event of an extended power outage, winter storm or other disaster which may limit access to commercial fueling locations.

To select a fuel provider, a Request for Proposals was issued resulting in four proposals being received. The proposals were reviewed based on the following criteria:

- Qualifications and Experience
- Project Approach
- Price

After evaluation, the City selected IWC Oil & Refinery, LLC as the highest ranked respondent. Pricing will be based on the average daily price on the day of delivery as determined by the Oil Price Information Service Report. This report provides a daily average of wholesale pricing available to fuel suppliers. The agreement also includes a contractor markup of \$0.18 per gallon for both gasoline and diesel.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports Project 5.3.12 of the Strategic Action Plan item to Implement a Fuel Station for City Fleet Vehicles
- Improves the City's emergency preparedness and operational resiliency by ensuring access to a fueling station during an extended power outage, winter storm or other disaster.
- Meets procurement guidelines.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Fuel will be purchased on an as-needed basis. There is no minimum or maximum amount guaranteed in the agreement.

LEGAL ANALYSIS:

The City Attorney has reviewed and approved the agreement.

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution authorizing the execution of an agreement with IWC Oil & Refinery, LLC for on-site fuel delivery, expenditure of the required funds, and execution of all applicable documents by the City Manager.