



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

Consent Agenda Item, no formal motion required outside normal operating procedure.

Reasons for Recommendation:

- The City has used fuel cards and in doing so, has been driving big equipment (grader, loader, etc.) to the closest gas station that would take the fuel cards.
- This process has resulted in operational inefficiency and at an increased cost.
- The bulk fuel tank lease will provide the necessary fuel at the appropriate location to allow for far greater operational efficiency particularly during snow events and provide significant savings (currently over a dollar a gallon).
- The tank lease will have an annual cost of \$3,000, however the fuel savings will be an excess of \$20,000.
- An RFP was posted on our website and sent to three different providers, and we received one bid from Valleywide Cooperative.
 - Valleywide Cooperative has a stellar reputation in the Wood River Valley, will provide an exceptional level of customer service and in the instance of emergency fuel delivery, they will be able to meet our expectations.

Sustainability Impact:

Will eliminate heavy equipment trips to various gas stations including trips to Sun Valley in heavy machinery.

Financial Impact:

Projected fuel savings, net of the annual lease cost, in excess of \$17,000.
FY2025 Budget is sufficient as adopted.

Attachments:

1. Request for Proposal
2. City of Ketchum Fuel Proposal – Valley Wide Cooperative

City of Ketchum

REQUEST FOR PROPOSAL (RFP) Pursuant to I.C. 67-2806(1)

Goods & Services for Leased Bulk Fuel Tanks

The City of Ketchum is requesting proposals for leased bulk fuel storage containers. The city requires the following:

- Three (3) 1,000-gallon self-contained fuel tanks fitted with a single electric fuel dispenser.
- Two (2) 500-gallon self-contained fuel tanks, each fitted with an electric fuel dispenser.
- Lessor must maintain all leased equipment to ensure proper operation, which may include replacement.
- Each tank must have a fuel monitoring sensor system that can be remotely accessed.
- Lessor must provide monthly statements, delivery receipts, and must be willing to take payment once a month.
- Equipment must be in place and operational by close of business on October 21, 2024.
- The responding vendor must deliver fuel within 24 hours upon request.
- In order to cost the proposals, please include the following:
 - Bulk cost of Dyed ULSD fuel as of 10/07/24
 - Annual Lease cost for the equipment listed above
 - Upfront costs the City must remit

Filing Deadline is:

Friday, October 11 at 5:00 PM MDT

Contacts:

Brent Davis
Finance Director
bdavis@ketchumidaho.org
208-806-7065

Trent Donat
City Clerk
tdonat@ketchumidaho.org

City Hall
P.O. Box 2315
151 5th Street West
Ketchum, ID 83340

Please email bids or drop off hard copy in person at Ketchum City Hall, Attention: Brent Davis.



Valley Wide Cooperative proposes to supply and lease the following bulk fuel storage to The City of Ketchum Idaho, with an installation completion date of October 21st, 2024. A lease agreement will be required upon installation for \$3,000 annually. A set-up fee of \$300 will be billed with the first billing statement.

- 1) Three 1,000-gallon fuel storage tanks,
 - a. Tanks will be double wall and UL142 rated.
 - b. Installed, single, fuel dispensing pump. Along with filter, hose, and automatic nozzle.
 - i. Single pump will dispense from all three tanks.
- 2) Two 500-gallon fuel storage tanks,
 - a. Tanks will be double wall and UL142 rated.
 - b. Installed, one fuel dispensing pump on each 500-gallon tank. Along with filter, hose, and automatic nozzle.
- 3) All installed, leased, equipment will be maintained by Valley Wide Cooperative and will be repaired or replaced as needed. Preventive maintenance will be performed by Valley Wide, or a licensed contractor hired by Valley wide.
- 4) Three level monitors will be installed, one level monitor on each 500-gallon tank and one level monitor on one of the three 1,000-gallon tanks (this monitor will cover all three tanks).
 - a. These monitors will be programmed so they can be viewed on a mobile device or a PC. The City of Ketchum will determine who has access. Valley Wide will have access to view the monitors so delivery drivers can adjust routes according to your usage.
 - b. Monitors will be maintained, repaired, or replaced by Valley wide.
- 5) Installation of leased equipment excludes all electrical.

Valley Wide Cooperative, Magic Valley region, employees eight tank wagon fuel drivers, two of which cover the wood river valley. We have on-call drivers for after-hours and weekend coverage or emergencies. A request with a 24-hour response can and will be covered by the two drivers and the other six if needed. Drivers will leave a printed, time stamped delivery ticket for each delivery. Tank wagon fuel deliveries are billed on a NET 30. Statements are sent monthly. Fuel pricing fluctuates with local, national, and global demand. Our delivered price for dyed, off road use, diesel on October 7th, 2024, was \$2.609. There are no volume tiers, hazard fees or other hidden fees.

On behalf of Valley Wide Cooperative, I look forward to working with The City of Ketchum and their employees and appreciate the opportunity to service your energy needs.

Kind Regards, Richard L. Howard, Energy sales specialist, Valley Wide Cooperative