

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: November 20, 2023

Topic:

Approve a services agreement renewal with Sun Coast Resources, Inc. for the purchase of diesel fuel and gasoline for City vehicles and equipment for a not to exceed amount of \$394,000, approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchases. These expenditures are included in the fiscal year 2023-2024 budget.

Background:

The City previously solicited sealed bids (bid number 2021-04) for the purchase of diesel fuel and gasoline for City vehicles and equipment in June 2021. The contract was awarded by City Council to Sun Coast Resources on July 19, 2021, for an initial two-year term with the option to renew for two additional two-year terms. This item is to approve the first of the two available two-year renewals.

Staff has worked with Sun Coast to obtain the pricing differential for the first renewal based on the Oil Price Information Service (OPIS) PADD3 rates for Houston, Texas. Based on the information available the renewal agreement will result in the following price differential above the OPIS PADD3 rates:

Midgrade 89 Octane Gasoline	+ \$0.0745
HXLED High Sulfur Diesel	+ \$0.0178
TXLED Low Sulfur Diesel	+ \$0.0178

Origination: Public Works Department

Recommendation:

Staff recommends approving the services agreement renewal for the purchase of diesel fuel and gasoline to Sun Coast Resources, Inc. for a two-year term for a not to exceed amount of \$394,000.

Party(ies) responsible for placing this item on agenda: Meagan Mageo, Project Manager

FUNDING (IF APPLICABLE)

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: _____ No: _____ If yes, specify Account Number: **Account 6108** –
 Departments (112, 121, 142, 145, 151, 152, 153, 154, 156, 157, 611, 612, 613, 614, & 615)

If no, funds will be transferred from account # _____ To account # _____

Signed Meagan Mageo
Staff Member _____ Date _____

Approved by _____
City Manager _____ Date _____