

City Council Meeting

Agenda Item

Data Sheet

Meeting Date: November 3, 2025

Topic:

Approve services agreement with Senergy Petroleum, LLC for operating and emergency fuel purchases for an annual not-to-exceed amount of \$600,000 (RFP No. 2025-17), approve the expenditure of funds therefor, and authorize the City Manager to execute any and all documents related to the purchase. This expenditure is included in the Fiscal Year 2025-2026 budget.

Background:

The City has maintained a contract with Sun Coast Resources, Inc. for operating and emergency fuel purchases for City-owned fleet and equipment for more than ten years. Following a competitive sealed bid process in 2021, City Council awarded the contract on July 19, 2021, for an initial two-year term with two optional two-year renewals. The final renewal was executed in November 2023.

During review of the current scope of work, staff identified the need to update requirements to include an emergency fuel delivery plan to support the City during critical events such as hurricanes, freezes, and other emergencies.

To secure favorable pricing and expanded services, staff issued a Request for Proposals. Four (4) sealed proposals from qualified vendors. A scoring committee evaluated the proposals and identified Senergy Petroleum, LLC as the most qualified firm.

Staff negotiated a contract with Senergy based on their proposal, which utilizes Oil Price Information Services (OPIS) PADD3 Houston market rates.

Staff recommends awarding a one-year services agreement to Senergy Petroleum, LLC, with five optional one-year renewals, in an amount not to exceed \$600,000. A detailed cost breakdown for the estimated three-year expenditure is provided below.

Fuel Type	Differential	Loading Fee
Midgrade 89 Octane Gasoline	+ \$0.0707/gallon	\$3.45
TXLED High Sulfur Diesel	+ \$0.0907/gallon	\$3.45
TXLED Low Sulfur Diesel	\$ +0.0907/gallon	\$3.45
Total Contract: \$356,468.64*		

*Annual Cost is estimated based on the current fiscal year usage and fuel pricing

Origination: Project Management

Recommendation:

Staff recommends approving a services agreement with Senergy Petroleum LLC for operating and emergency fuel purchases for an annual amount not-to-exceed \$6000,000.

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 Approved by _____
Staff Member Date City Manager Date