

W. 8. C. 3.

AGENDA COVER MEMO

DATE: June 9, 2004
TO: Lane County Board of Commissioners
DEPT: Public Works
PRESENTED BY: Dale Wendt, Public Works Support Services Manager
AGENDA ITEM TITLE: In the Matter of Awarding a Three Year Requirements Contract to Miles Oil Co., Inc. for the Purchase of Cardlock Fuel and Fueling Services in Florence, Contract No. RFP03/04 FS-03

I. MOTION

MOVE TO AWARD A THREE YEAR REQUIREMENTS CONTRACT TO MILES OIL CO., INC. FOR THE PURCHASE OF CARDLOCK FUEL AND FUELING SERVICES IN FLORENCE, CONTRACT No. RFP03/04 FS-03

II. ISSUE OR PROBLEM

Shall Lane County approve awarding a requirements contract to Miles Oil Co., Inc. for the purchase of cardlock fuel and fueling services in the Florence area?

III. DISCUSSION

A. Background

Lane County Department of Public Works Fleet Services has contracted for cardlock fuel in the Florence area since 1992 when the fuel tanks at the Florence shop were decommissioned.

During the past twelve months, ending April 30, 2004, Fleet Services purchased 35,195 gallons of fuel, at a cost of \$37,417.46, in Florence. The existing three-year contract expires on June 30, 2004.

Fleet Services solicited bids via a Request for Proposal (RFP) process. Criteria included 24-hour/seven day availability, a convenient location, and a cardlock self-service operation.

B. Analysis

The RFP was advertised in the Register Guard and Siuslaw News during the weeks of April 19 and 26, 2004, respectively, and opened on May 11, 2004. The County

received two responses to its RFP solicitation: Truax-Harris Energy LLC dba Metrofueling, and Miles Oil Co., Inc. Both responses to the RFP met all specification criteria. Both firms offered the same fueling location – a Pacific Pride station located about four blocks from the Florence Public Works Shop.

The RFP required a price quote for diesel and unleaded gasoline at 12:01 a.m., Monday, May 10, 2004. Metrofueling offered a price for diesel of \$1.8321 per gallon and a price for unleaded gasoline of \$2.1911 per gallon. Miles Oil Co., Inc. offered a diesel price of \$1.735 per gallon and \$2.075 per gallon for unleaded gasoline.

Sufficient funds are in the Fleet Services budget for purchase of this commodity.

C. Alternatives/Options

1. Approve entering into a requirements contract with Miles Oil Co., Inc. and delegate the County Administrator authority to execute the contract. Contracting for fuel provides a lower price than purchasing fuel from retail stations. A card-lock station also provides additional security and ease in record keeping of fuel transactions with additional management information. Reports include time, date, gallons, and cost for every transaction and summary data including miles per gallon and total fuel purchased per vehicle. The Miles Oil Co., Inc. station is located on Hwy 101 approximately four city blocks from the Florence Shop.
2. Do not enter into the contract.

D. Recommendation

It is recommended that the Board approve entering into a requirements contract with Miles Oil Co., Inc. for fuel and fueling services in Florence and delegate the County Administrator authority to execute the contract.

E. Timing

Upon approval of the Board, a requirements contract will be executed between Miles Oil Co., Inc. and the County Administrator.

IV. IMPLEMENTATION/FOLLOW-UP

None.

V. ATTACHMENTS

Board Order
Bid Summary

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY
STATE OF OREGON

ORDER) IN THE MATTER OF AWARDING A
) THREE-YEAR REQUIREMENTS
) CONTRACT TO MILES OIL CO., INC.
) FOR THE PURCHASE OF CARDLOCK
) FUEL AND FUELING SERVICES IN
) FLORENCE, CONTRACT NO. RFP03/04
) FS-03

WHEREAS, at the duly publicized place and time on May 11, 2004, an authorized representative of the Department of Public Works, opened Request for Proposals (RFP) on the following:

Fuel and fueling services in Florence Contract RFP03/04 FS-03; and

WHEREAS, there were two responses to the RFP, and both responses conform to the RFP specifications; and

WHEREAS, the response from Miles Oil Co., Inc. offered a diesel price of 9.71 cents per gallon less and an unleaded gasoline price of 11.61 cents per gallon less than the other proposal – prices quoted as of 12:01 a.m., Monday, May 10, 2004; and

WHEREAS, the Director of the Department of Public Works recommends that the proposal from Miles Oil Co., Inc. be accepted; therefore it is hereby

ORDERED that the proposal received from Miles Oil Co., Inc. be accepted as recommended; and it is further

ORDERED that a three-year requirements contract be awarded to Miles Oil Co., Inc. in accordance with the proposal specifications; and it is further

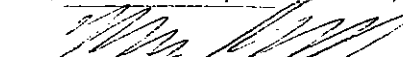
ORDERED that a contract be executed in accordance with this Order and the proposal specifications and the County Administrator be authorized to sign the contract.

DATED this _____ day of June, 2004.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM

Date 5-25-04 Lane County



CLERK OF BOARD OF COMMISSIONERS

Bid Recap - Florence Fuel

<u>Proposer</u>	<u>Diesel</u>	<u>Unleaded Gasoline</u>
Metrofueling	\$1.8321	\$2.1911
Miles Oil Co., Inc.	1.7350	2.0750
Difference	\$0.0971	\$0.1161