

# TOWN OF PALM BEACH

Information for Town Council Meeting on: June 14, 2022

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TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

VIA: Jane Le Clainche, CPA Finance Director

FROM: Dean Mealy II, NIGP-CPP, CPPO

RE: Approve the Piggyback Contract Award of the Southeast Florida Governmental Purchasing Cooperative Group for Unleaded Gasoline and Diesel Fuel, RFP E-03-22 for Five-Year Contract Award in the Annual Amount of \$250,000 and a Proposed Five-Year Award of \$1,250,000 based on Satisfactory Performance and Budget Authorization - **Resolution No. 072-2022**

DATE: May 31, 2022

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## **STAFF RECOMMENDATION**

Town staff recommends that Town Council Approve the Piggyback Contract Award of the Southeast Florida Governmental Purchasing Cooperative Group for Unleaded Gasoline and Diesel Fuel, RFP E-03-22 for Five-Year Contract Award in the Annual Amount of \$250,000 and a Proposed Five-Year Award of \$1,250,000 based on Satisfactory Performance and Budget Authorization.

## **GENERAL INFORMATION**

The existing contract for unleaded gas and diesel fuel was a Southeast Florida Governmental Purchasing Cooperative Contract. The contract had been in place for five years and expired March 15, 2022. The contract is used by Palm Beach County, their municipalities, Broward County and their municipalities.

Pricing of Unleaded 87 Octane Gasoline uses the following methodology:

- Daily Published Oil Price Information Service (OPIS) Gross Conventional Before Oxygenate Blending (CBOB) Ethanol 10% Unleaded Unbranded Rack Average Price plus the differential proposed for Unleaded Gasoline in Exhibit C – Rate Schedule (Differential to be constant).

Pricing of Ultra Low Sulfur Diesel #2 uses the following methodology:

- Daily Published Oil Price Information Service (OPIS) Gross Ultra Low Sulfur Distillate No. 2 Unbranded Rack Average price plus the differential proposed for Diesel Fuel in Exhibit C – Rate Schedule (Differential to be constant).

The following departments utilize the contract, Police, Fire, Recreation, and Public Works. The Town had been utilizing Resolution No. 171-2018 with Port Consolidated for their fuel purchases.

The FY21 Town of Palm Beach Award was for \$190,000. Due to the unstable market condition,

an allocation of \$250,000 is being sought for each of the next five years.

The contract period for both gasoline and diesel fuel will run from March to March each year for a period of up to five years.

#### **FUNDING/FISCAL IMPACT**

Funding for this award will be from the various user department general operating budgets.

#### **USER DEPARTMENT CONCURRENCE**

This item has been reviewed by the various user departments and is approved as recommended.

#### **TOWN ATTORNEY REVIEW**

This format has been utilized by the Town in previous recommendations and was approved by the Town Attorney.