

City of Las Cruces[®]

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 14

Ordinance/Resolution# 14-15-144

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of August 3, 2015
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL

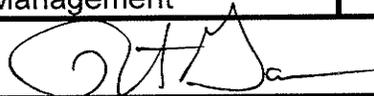
LEGISLATIVE

ADMINISTRATIVE

TITLE: A RESOLUTION TO AWARD AN INDEFINITE QUANTITY, INDEFINITE COST PRICE AGREEMENT FOR UNLEADED AND DIESEL FUEL TO RIO VALLEY BIOFUELS, LLC OF ANTHONY, NEW MEXICO, AND FOR B20 BIODIESEL TO BREWER OIL CO. OF ALBUQUERQUE, NEW MEXICO FOR A TERM OF FIVE (5) YEARS SUBJECT TO APPROVED BUDGET APPROPRIATIONS AND ANNUAL RENEWAL.

PURPOSE(S) OF ACTION:

Diesel and unleaded fuel price agreement award.

COUNCIL DISTRICT: N/A		
<u>Drafter/Staff Contact:</u> Leeann DeMouche	<u>Department/Section:</u> Transportation/Fleet Management	<u>Phone:</u> 541-2596
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

The purpose of this price agreement is to provide the most economical method of procurement of fuel for the City of Las Cruces Fleet customers, at the most economical cost. Utilization of price agreements allows Fleet Services (Fleet) to procure bulk fuel in the most effective manner.

On March 27, 2015, the City of Las Cruces advertised an Invitation to Bid for Bid No. 14-15-144 – Bulk Fuel Price Agreement. The Invitation to Bid closed on April 30, 2015 at 2:30 P.M. At the time of closing, seven (7) bids were received for the Bulk Fuel Price Agreement.

The City's Fleet Section reviewed the bids and recommends that City Council award the Bulk Fuel Price Agreement to, Rio Valley Biofuels, LLC of Anthony, New Mexico for the procurement of unleaded and diesel fuel, and to Brewer Oil Co. of Albuquerque, New Mexico, for the procurement of B20 biodiesel fuel.

The Bulk Price Fuel Agreement will be for a term of one (1) year with four (4) one (1) year options to renew, subject to City Council approval.

SUPPORT INFORMATION:

1. Resolution No. 14-15-144.
2. Exhibit "A", Purchasing Manager's Request to Contract.
3. Attachment "A", Bid Tabulation.

SOURCE OF FUNDING:

Is this action already budgeted?	Yes	<input checked="" type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)
	<input type="checkbox"/>	Proposed funding is from fund balance the _____ Fund.	
Does this action create any revenue?	Yes	<input checked="" type="checkbox"/>	Funds will be deposited into this fund: account 6150 of \$75,000 for FY16.
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

This price agreement is to be used on an "as need basis". Funding will be through the Fleet Services Cost of Motor Fuel & Oil Account No. 61323010-730930.

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
Fleet Services	613623010-730930	\$1,980,000.00	\$2,461,949.00	\$481,949.00	WEX Fuel Program purchases

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the Resolution to award an indefinite quantity, indefinite cost price agreement for unleaded and diesel fuel to Rio Valley Biofuels, LLC of Anthony, New Mexico, and B20 biodiesel to Brewer Oil Co. of Albuquerque, New Mexico.
2. Vote "No"; this will deny the Resolution and prohibit the indefinite quantity, indefinite cost price agreement for unleaded, diesel, and B20 biodiesel fuel. This would require Fleet Services to re-bid the Bulk Fuel Price Agreement, or pursue other options as directed by City Council; which may result in a higher cost to the City of Las Cruces.
3. Vote to "Amend"; this could modify the Resolution and advise staff of necessary adjustments as deemed appropriate.
4. Vote to "Table"; this could delay the purchase for unleaded, diesel and B20 biodiesel fuel and may have an effect on the efficiency of services.

REFERENCE INFORMATION:

N/A

RESOLUTION NO. 14-15-144

A RESOLUTION TO AWARD AN INDEFINITE QUANTITY, INDEFINITE COST PRICE AGREEMENT FOR UNLEADED AND DIESEL FUEL TO RIO VALLEY BIOFUELS, LLC OF ANTHONY, NEW MEXICO AND FOR B20 BIODIESEL TO BREWER OIL CO. OF ALBUQUERQUE, NEW MEXICO, FOR A TERM OF FIVE (5) YEARS SUBJECT TO APPROVED BUDGET APPROPRIATIONS AND ANNUAL RENEWAL FROM ORIGINAL BID NO. 14-15-144.

The City Council is informed that:

WHEREAS, Fleet Services (Fleet), on behalf of the City of Las Cruces, requests to award the diesel, unleaded, and biodiesel fuel; and

WHEREAS, Bid No. 14-15-144 remains effective and compliant with published specifications; and

WHEREAS, seven (7) bids were received for the fuel; and

WHEREAS, Fleet reviewed the bids; the low, responsible, responsive unleaded and diesel fuel bid was from Rio Valley Biofuels, LLC of Anthony, New Mexico and for B20 biodiesel fuel bid was from Brewer Oil Co. of Albuquerque, New Mexico; and

WHEREAS, Fleet recommends that unleaded and diesel fuel be awarded to Rio Valley Biofuels, LLC and that B20 biodiesel fuel be awarded to Brewer Oil Co., in an indefinite quantity, indefinite cost price agreement for a term not to exceed five (5) years, subject to approved budget appropriations and annual renewal.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT an indefinite quantity, indefinite cost price agreement for a term not to exceed five (5) years, subject to approved budget appropriations and annual renewal for unleaded and diesel fuel be awarded to Rio Valley Biodiesel of Anthony, New Mexico.

(II)

THAT an indefinite quantity, indefinite cost price agreement for a term not to exceed five (5) years, subject to approved budget appropriations and annual renewal for B20 biodiesel be awarded to Brewer Oil Co. of Albuquerque, New Mexico.

(III)

THAT the Purchasing Manager is authorized to contract with Names and Locations as outlined in the signed Exhibit "A", Purchasing Manager's Request to Contract Form.

(IV)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 20_____.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

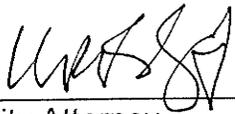
VOTE:

Mayor Miyagishima: _____
Councillor Silva: _____
Councillor Smith: _____
Councillor Pedroza: _____
Councillor Small: _____
Councillor Sorg: _____
Councillor Levatino: _____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:



City Attorney

CITY OF LAS²⁴⁴ CRUCES

PURCHASING MANAGER'S REQUEST TO CONTRACT

For Meeting of: August 3, 2015

Resolution No.: 14-15-144

**Contract Purchase For
Bulk Fuels Price Agreement**

The Las Cruces City Council is provided the following information concerning this request:

BID SOLICITATION INFORMATION:

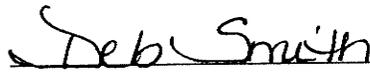
- 1. Bid Due Date: **April 30, 2015**
- 2. Description: **Bulk Fuels Price Agreement**
- 3. Using Department: **Transportation**
- 4. Number of Responses Solicited: **Fourteen (14)**
- 5. Number of Responses Received and Accepted: **Seven (7)**
- 6. Recommended Award(s) To: **Rio Valley Biofuels, LLC, of Anthony, NM and Brewer Oil Co. of Albuquerque, NM**
- 7. Total Award Amount (includes any tax and contingency): **Indefinite Cost/Quantity**
- 8. Contract Duration: **Five (5) years subject to approved budget appropriations and annual renewals**

LOCAL PREFERENCE FACTOR

Local Preference Factor Applied Per LCMC §24-100	No	X	LCMC §24-100 not applicable to this solicitation
	Yes		Made A Difference To Bid Awards(s) Made No Difference To Bid Award(s)

PROCUREMENT CODE COMPLIANCE:

The City of Las Cruces Procurement Code was administered in the conduct of this procurement and approval to purchase is hereby requested pursuant to **Section 24-91**.


 Purchasing Manager

17-6-15
 Date

CONFIRMATION OF FUND ENCUMBRANCE:

REQUISITION or PURCHASE ORDER NUMBER:	TBD
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TO: Ernesto Fragoso, Buyer

FROM: Leeann DeMouche, Acting Fleet Management Administrator

DATE: June 25, 2015 **FILE NO.:** FL-15-009

SUBJECT: Acceptance Memorandum for Bulk Fuel Price Agreement, Bid No. 14-15-144

The Fleet Services Section has reviewed the bids submitted for the Bulk Fuel Service Price Agreement, Bid No. 14-15-144, and is recommending award to Rio Valley Biofuels, LLC of Las Cruces, New Mexico; for unleaded and diesel fuel along with awarding B20 biodiesel to Brewer Oil Co. of Las Cruces, New Mexico; for in an indefinite quantity, indefinite cost.

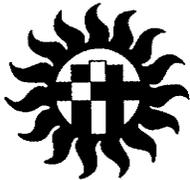
The bids submitted were compliant with the published specifications of Bid No. 14-15-144, and the Fleet Services Section considers the bids to represent a fair and equitable agreement for the City of Las Cruces.

The below listed requisitions have been entered for the price agreement Bid No. 14-15-144:

Vendor	Requisition No.	Account No(s)	Estimated Annual Cost
Rio Valley Biofuels LLC	16100022	61323010-730930	\$1,800,000.00
Brewer Oil Co.	16100023	61323010-730930	\$ 180,000.00

Should you have any questions regarding this matter, please feel free to contact me at 541-2596.

cc: David Maestas, P.E., Transportation Director



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COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of August 3, 2015
 (Adoption Date)

TITLE:

A RESOLUTION TO AWARD AN INDEFINITE QUANTITY, INDEFINITE COST PRICE AGREEMENT FOR UNLEADED AND DIESEL FUEL TO RIO VALLEY BIOFUELS, LLC OF ANTHONY, NEW MEXICO, AND FOR B20 BIODIESEL TO BREWER OIL CO. OF ALBUQUERQUE, NEW MEXICO FOR A TERM OF FIVE (5) YEARS SUBJECT TO APPROVED BUDGET APPROPRIATIONS AND ANNUAL RENEWAL.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>Leann deMonche</i>	541-2596	7/13/15
Department Director	<i>David Speer</i>	2048	7-14-15
Other			
Assistant City Manager /CAO Management & Budget Manager	<i>Victoria Zuehl for Trust W...</i> <i>[Signature]</i>	2080 2106	7/13/15 7-14-15
Assistant City Manager/COO	<i>[Signature]</i>		7/16/15
City Attorney	<i>[Signature]</i>	EXT 2128	1734 2015
City Clerk - Interim	<i>[Signature]</i>	X 2115	7-24-15