

634

City of Las Cruces[®]

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 14

Ordinance/Resolution #09-10-418

Council District: N/A

For Meeting of November 16, 2009

(Adoption Date)

TITLE:

A RESOLUTION APPROVING AN INDEFINITE QUANTITY, INDEFINITE COST PRICE AGREEMENT FOR BULK FUEL TO SOUTHERN COUNTIES OIL CORPORATION OF ORANGE, CALIFORNIA. THIS IS FOR THE FOURTH YEAR OF A POSSIBLE FIVE YEAR COST PRICE AGREEMENT FROM ORIGINAL BID NO. 05-06-487 AND AS AMENDED BY RESOLUTION NO. 08-09-342.

PURPOSE(S) OF ACTION:

Authorize extension of Bulk Fuel Pricing Agreement.

Name of Drafter: Terri Singleton		Department: Facilities		Phone: 541-2579	
Department	Signature	Phone	Department	Signature	Phone
Facilities Department		541-2596	Budget		2300
			Assistant City Manager		2271
Legal		2128	City Manager		2076

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

This Resolution is to extend the current pricing agreement with Southern Counties Oil Corp., of Orange, CA. The purpose of this pricing agreement is to provide the most economical method of procurement of bulk fuel for City of Las Cruces Fleet Management customers at the most economical cost. Utilization of pricing agreements allows Fleet Management staff to economically procure bulk fuel in the most effective manner.

This Price Agreement is to be used on an as-needed basis. Funding will be through the Fleet Management Cost of Motor Fuel Account No. 61003050-730930. Revenues will be realized by charging the various departments throughout the City of Las Cruces.

(Continue on additional sheets as required)

SUPPORT INFORMATION:

Fund Name / Account Number	Amount of Expenditure	Budget Amount
61003050-730930 / Cost of Motor Fuel	Indefinite	Indefinite

1. Exhibit "A" - Purchasing Manager's Request to Contract Form (PMRC)
2. Attachment "A" - Fleet Management Memo Requesting Extension
3. Resolution No. 08-09-432

OPTIONS / ALTERNATIVES:

1. Vote "Yes". This will award the fourth year of a possible five year Pricing Agreement for Bulk Fuel from original Bid No. 05-06-487 and as amended by Resolution No. 08-09-342 to Southern Counties Oil Corporation of Orange, California.
2. Vote "No". Denying the Resolution will prohibit the extension of the Bulk Fuel Pricing Agreement. This would require Fleet Management to bid out the Bulk Fuel Pricing Agreement or pursue other options as directed by City Council. These options may result in a higher cost to the citizens of Las Cruces, NM.
3. Amend and Approve the Resolution. The City Council may modify the Resolution and direct staff in another course of action deemed appropriate.

RESOLUTION NO. 09-10-418

A RESOLUTION APPROVING AN INDEFINITE QUANTITY, INDEFINITE COST PRICE AGREEMENT FOR BULK FUEL TO SOUTHERN COUNTIES OIL CORPORATION OF ORANGE, CALIFORNIA. THIS IS FOR THE FOURTH YEAR OF A POSSIBLE FIVE YEAR COST PRICE AGREEMENT FROM ORIGINAL BID NO. 05-06-487 AND AS AMENDED BY RESOLUTION NO. 08-09-342.

The City Council is informed that:

WHEREAS, on behalf of the City of Las Cruces, the Fleet Management requests the extension of the Bulk Fuel Pricing Agreement; and

WHEREAS, City of Las Cruces Bid No. 05-06-487, and as amended by Resolution No. 08-09-342, remains effective and compliant with published specifications; and

WHEREAS, this is a request for approval of the fourth year of a possible five year indefinite quantity, indefinite cost pricing agreement; and

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

(I)

THAT, the fourth year of a possible five year indefinite quantity, indefinite cost pricing agreement for Bulk Fuel be awarded to Southern Counties Oil Corporation of Orange, California.

(II)

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

DONE AND APPROVED this _____ day of _____, 2009.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

VOTE:

Mayor Miyagishima:	_____
Councillor Silva:	_____
Councillor Connor:	_____
Councillor Pedroza:	_____
Councillor Small:	_____
Councillor Sorg:	_____
Councillor Thomas:	_____

Approved as to Form:

City Attorney

CITY OF LAS CRUCES

PURCHASING MANAGER'S REQUEST TO CONTRACT

For Meeting of: November 16, 2009

Resolution No.: 09-10-418

**Existing Contract Purchase For
Bulk Fuel Pricing Agreement (Year 4 of 5)**

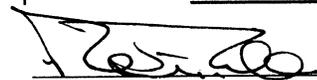
The Las Cruces City Council is provided the following information concerning this request:

BID/RFP SOLICITATION INFORMATION:

- | | |
|---------------------------------------|--|
| 1. Original Bid/RFP & Due Date: | RFP # 05-06-487/July 6, 2006 |
| 2. Description of Bid/RFP: | Bulk Fuel Pricing Agreement |
| 3. Number of Original Responses | Three (3) |
| 4. Existing Contract Expiration Date: | November 3, 2009 |
| 5. Last Contract Renewal by Council: | Resolution No. 08-09-432/ October 20, 2008 |
| 6. Using Department: | Facilities/Fleet |
| 7. Current Award Recommendation To: | Southern Counties Oil Corporation
Of Orange, CA |
| 8. Total Award Amount: | Indefinite Quantity/Indefinite Cost |
| 9. Contract Duration: | One Year |

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 24-316.**

	11/10/24/09
Purchasing Manager	Date

CONFIRMATION OF FUND ENCUMBRANCE:

REQUISITION OR PURCHASE ORDER NUMBER:	10200057
---------------------------------------	-----------------

**City of Las Cruces**®

TO: Pam Davis, Senior Purchasing Buyer

FROM: Terri Singleton, Assistant Operations Analyst *TS*

DATE: September 23, 2009

SUBJECT: Extension for Amended Bulk Fuel Pricing Agreement

FILE NO: FM-09-206 / Bulk Fuel P.A. 08-09-432 *TS*

The current contract for the Bulk Fuel Pricing Agreement expires November 3, 2009. The City of Las Cruces, Fleet Management Section, is requesting to extend this agreement for the fourth year of a possible five year contract, on Original Bid No. 05-06-487, and as amended by Resolution No. 08-09-342, providing Southern Counties Oil, Corp., agrees to the same terms and conditions.

Funding for this agreement will come from Account No. 61003050-730930. The new order is for an indefinite quantity, indefinite cost. Purchase Order No. 10200057 will be extended through June 30, 2010, with a new requisition to be submitted after July 1, 2010, to expire November 3, 2010.

Should you have any questions, please contact me at 541-2579.

cc: Brian Denmark
Donald Haskins *DH*

RESOLUTION NO. 08-09-432

A RESOLUTION EXTENDING THE BID FOR BULK FUEL PRICING AGREEMENT TO SOUTHERN COUNTIES OIL CORPORATION OF ORANGE, CALIFORNIA, NOT TO EXCEED THE AMOUNT OF \$3,240,000 AND AMEND THE FY09 BUDGET. THIS IS THE THIRD EXTENSION REQUEST OF A POSSIBLE FIVE (5) YEAR RENEWABLE OPTION FROM ORIGINAL BID #05-06-487 AND AS AMENDED BY RESOLUTION #08-09-342.

The City Council of the City of Las Cruces is informed that:

WHEREAS, on behalf of the City of Las Cruces, the Fleet Management Section requests the award of the extension of the Fleet Bulk Fuel Price Agreement; and to amend the FY09 Budget from \$2,250,000 to \$3,240,000; and

WHEREAS, City of Las Cruces Bid #05-06-487, as amended by Resolution #08-09-342, will be extended and remains compliant with published specifications; and

WHEREAS, this award is the third extension of a possible five (5) year renewable option; and

WHEREAS, subsequent awards are by mutual agreement;

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

(I)

THAT the third extension of the Bulk Fuel Price Agreement of a possible five (5) year renewable option be awarded to Southern Counties Oil Corporation of Orange, California and to amend the FY09 Budget from \$2,250,000 to \$3,240,000.

(II)

THAT funding will be through the Fleet Management Account No. 61003050-730930.

(III)

THAT revenues will be realized by charging various departments throughout the City of Las Cruces.

(IV)

THAT City of Las Cruces Bid #05-06-487, as amended by Resolution #08-09-342, remains effective and compliant with published specifications.

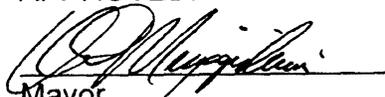
(V)

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

DONE AND APPROVED this 20th day of October, 2008

(SEAL)

APPROVED:


Mayor

ATTEST:


City Clerk

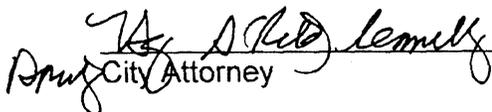
Moved by: Archuleta

Seconded by: Connor

VOTE:

Mayor Miyagishima:	<u>Aye</u>
Councillor Silva:	<u>Aye</u>
Councillor Connor:	<u>Aye</u>
Councillor Archuleta:	<u>Aye</u>
Councillor Small:	<u>Aye</u>
Councillor Jones:	<u>Aye</u>
Councillor Thomas:	<u>Aye</u>

APPROVED AS TO FORM:


City Attorney