



City of Austin

Recommendation for Action

File #: 24-6046, **Agenda Item #:** 31.

11/21/2024

Posting Language

Authorize execution of a contract for bulk motor fuels, fuel-related products, and services for the Fleet Mobility Services Department with Pinnacle Petroleum Incorporated, for an initial term of two years with three one-year extension options, for a total contract amount not to exceed \$96,698,550. Funding: \$19,339,709 is available in the Fiscal Year 2024-2025 Operating Budget of the Fleet Mobility Services Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Financial Services Department.

Client Department(s)

Fleet Mobility Services Department.

Fiscal Note

Funding in the amount of \$19,339,709 is available in the Fiscal Year 2024-2025 Operating Budget of the Fleet Mobility Services Department.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids solicitation IFB 7800 CTE1000 for these goods and services. The solicitation was issued on May 13, 2024, and closed on July 18, 2024. Of the seven offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's website. This information can currently be found at

https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=140646.

MBE/WBE:

This solicitation will be awarded in compliance with City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program) through the achievements of Good Faith Efforts with 1.58% MBE/WBE participation.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Additional Backup Information:

The contract will provide various types of fuel such as unleaded gasoline, E-85 ethanol-based gasoline, diesel, biodiesel, and diesel exhaust fluid (DEF). The City anticipates purchasing approximately 2.4 million gallons of biodiesel, 1.39 million gallons of unleaded gasoline, 800,000 gallons of conventional diesel, 1 million gallons of

E-85 and 30,000 gallons of DEF annually. The contract has no guaranteed usage of any fuel type, so the City's usage may be adjusted as the make-up of the City's fleet of vehicles changes and fuel requirements and recommendations change.

The contract will replace a contract which expires December 18, 2024. The recommended contractor is the current provider for these goods and services.

If a contract is not secured, the City will no longer have a reliable and continuous source of bulk motor fuel impacting city operations.