



Interoffice Memorandum

APPROVED BY ORANGE
COUNTY BOARD OF COUNTY
COMMISSIONERS

August 1, 2016

BCC Mtg. Date: August 23, 2016

**TO: Mayor Teresa Jacobs
and the Board of County Commissioners**

FROM: Carrie Woodell, Manager, Procurement Division

**CONTACT: Bryan Lucas, Manager, Fleet Management Division
407-836-8201**

**SUBJECT: Award of Invitation for Bids Y16-1081-MR, Motor Fuels –
Tank Wagon Deliveries**

ACTION REQUESTED:

Approval to award Invitation for Bids Y16-1081-MR, Motor Fuels – Tank Wagon Deliveries, to the low responsive and responsible bidder, Atlas Oil Company, in the estimated contract award amount of \$1,900,000 for a 1-year term contract. Further request authorization for renewal by the Procurement Division for two additional 1-year periods.

Due to projected usage, the Fleet Management Division anticipates that the entire estimated contract amount will be ordered during the initial contract term.

PROCUREMENT:

Motor fuels are used throughout the county to power automobiles, trucks, fire rescue vehicles, heavy equipment, generators and other internal combustion engine driven equipment. Tank wagon deliveries are motor fuel deliveries of 7,000 gallons and under. This award recommendation is based on estimated fuel quantities for the following entities:

	<u>Gasoline</u>	<u>Diesel</u>
Orange County	47,400 gallons	525,600 gallons
City of Altamonte Springs	0 gallons	132,754 gallons
City of Ocoee	2,500 gallons	12,000 gallons

The City of Altamonte Springs, City of Ocoee and Orange County combined their requirements in this solicitation. Each entity will issue and administer its own orders for fuel.

FUNDING:

Funds are available in account numbers 5530 043 2035 4180/4185/4187.

APPROVALS:

The Fleet Management Division and Business Development Division concur with this recommendation.

REMARKS:

Three bids were received in response to Invitation for Bids Y16-1081-MR and were evaluated for responsiveness, responsibility, and cost, using a discount or markup on the Oil Price Information Service (OPIS) average price for the Orlando terminal. OPIS is a private petroleum reporting and database company, providing daily site-specific retail pricing data to oil companies, distributors, traders, government, and commercial purchasers of petroleum products. Under this contract, OPIS pricing is obtained once per week to apply to the succeeding week's purchases.

Atlas Oil Company submitted a bid offering the lowest markup for 87, 89 and 92 octane gasoline and un-dyed and dyed diesel fuel for tank wagon loads (7,000 gallons or less). When used by local government, dyed diesel fuel is not subject to the taxes associated with regular diesel fuel.

All fuel pricing is based on a markup on prices from the Oil Price Information Service (OPIS) average at the closest distribution point to Orange County, the Taft terminal. This approach is necessary because long-term fixed contract pricing is not suitable for this highly volatile commodity. Note that the fixed markup will remain firm for the entire period of the contract. For all fuels, the markup is added to the OPIS price. Taxes are then added to that price for a final purchase price per gallon.

The bid amounts are the estimated markup for each bidder based on OPIS pricing. The estimated annual contract amount for this recommended award is \$1,900,000 which includes the estimated markup of \$77,355.4050.

The bid tabulation sheet is as follows:

IFB Y16-1081-MR
 Motor Fuels – Tank Wagon Deliveries
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ITEM #	DESCRIPTION	Usage in Gallons	UNIT PRICE	ATLAS OIL	UNIT PRICE	LYNCH OIL COMPANY INC.	UNIT PRICE	DES Wholesale, LLC dba Diversified Energy Supply
1	87 Octane Gasoline, 7,000 gallons	47,400	\$0.1350	\$6,399.0000	\$0.1395	\$6,612.3000	\$0.2000	\$9,480.0000
2	89 Octane Gasoline 7,000 gallons	1	\$0.1350	\$0.1350	\$0.1395	\$0.1395	\$0.2000	\$0.2000
3	93 Octane Gasoline, 7000 gallons	1	\$0.1350	\$0.1350	\$0.1395	\$0.1395	\$0.2000	\$0.2000
4	Diesel Fuel, 7,000 gallons	1	\$0.1350	\$0.1350	\$0.1395	\$0.1395	\$0.2000	\$0.2000
5	Dyed Diesel Fuel, 7,000 gallons	525,600	\$0.1350	\$70,956.0000	\$0.1395	\$73,321.2000	\$0.2000	\$105,120.0000
ALL BIDS ARE MARKUP FROM OPIS AVERAGE						\$79,933.9185		\$114,600.6000




Interoffice Memorandum

BUSINESS DEVELOPMENT DIVISION

July 5, 2016

TO: Melissa Rivera, Senior Purchasing Agent
Procurement Division

FROM: Kesi Warren, Senior Contract Administrator 
Business Development Division

SUBJECT: Business Development Division Bid Evaluation

PROJECT: **IFB #Y16-1081-MR, Motor Fuel Tankwagon Deliveries**

The Business Development Division evaluated the **3 bids** submitted for this project and found that **none** of the bidders are Orange County Certified Minority Women Business Enterprises. Hence, the bid preference program in accordance with the County's M/WBE Ordinance, Section 17-324 can not be applied.

c: Sheena Ferguson, Manager, Business Development Division

