

Legislation Text

File #: 17-262, **Version:** 1

P.H. 2017-34: (PUBLIC HEARING 2ND READING)

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AND AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF POMPANO BEACH AND PORT CONSOLIDATED, INC. FOR THE PURCHASE OF UNLEADED GASOLINE AND DIESEL FUEL, WITH THE CITY OF POMPANO ACTING AS THE LEAD AGENCY FOR THE SOUTHEAST FLORIDA GOVERNMENTAL PURCHASING COOPERATIVE GROUP; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

(Fiscal Impact: \$660,000.00)

FIRST READING: FEBRUARY 28, 2017

(Staff Contact: Robert McCaughan)

Summary Explanation/Background:

The City of Pompano Beach issued Request For Proposal (RFP) E-13-17 to establish an annual contract for the as-needed purchase of unleaded gasoline and diesel fuel. The City issued this RFP as the lead agency, on behalf of our City and thirty-eight other governmental agencies in the Southeast Florida Governmental Purchasing Cooperative. The City Commission approved the ranking order, and authorized the City staff to negotiate and enter into a contract with the highest-ranked firm Port Consolidated Inc. The contract, which shall commence on April 1, 2017, has a 3-year term with one 2-year renewal. The total annual value of this contract award based on the combined estimated annual quantities of the thirty-eight participating co-op agencies, and the City of Pompano Beach, is \$32,000,000.00. Based upon the unit prices proposed, and the City's estimated usage, the City of Pompano Beach annual expenditures for unleaded gasoline and diesel fuel could total \$660,000.00. Through negotiations with the vendor, the City's Contract Manager successfully negotiated a reduction of approximately \$850,000.00 for gasoline and diesel for the participating co-op agencies and the City over the expected five year life of the contract.

Origin of request for this action: General Services Department

Fiscal impact and source of funding: \$660,000.00 City purchases will be made, as needed, from budgeted funds in account, 507-5720-597.52-10 Operating Supplies/Fuel.