

**CITY OF FORT WORTH
CONTRACT RENEWAL NOTICE**

October 18, 2021

Petroleum Traders Corporation
Attention: Gayle Newton
7120 Pointe Inverness Way
P.O. Box 2357
Fort Wayne, IN 46801-2357

Re: **Contract Renewal Notice**
Contract No. CSC No. 53318 (the "Contract")
Renewal Term No. 2: January 1, 2022 to December 31, 2022

The above referenced Contract with the City of Fort Worth expires on December 31, 2021 (the "Expiration Date"). Under the terms of the Contract, the Contract may be renewed under the same terms and conditions. This letter is to inform you that the City wishing to renew the Contract for an additional one (1) year period, which will begin immediately after the Expiration Date. All other terms and conditions of the Contract remain will remain unchanged. **If you agree to renew the Contract, please sign the signature page following this Contract Renewal Notice letter, along with a copy of your current insurance certificate, to the address set forth below.**

Please log onto PeopleSoft Purchasing at <http://fortworthtexas.gov/purchasing> to insure that your company information is correct and up-to-date.

If you have any questions concerning this Contract Renewal Notice, please contact me at the telephone number listed below.

Sincerely,

Denise Garcia

City of Fort Worth, Property Management Department
Denise Garcia
Contract Services Administrator
(817) 392-6787

(Signature Page Follows)

ACCEPTED AND AGREED:

<p>CITY OF FORT WORTH</p> <p>By: <u><i>Dana Burghdoff</i></u> <small>Dana Burghdoff (Oct 21, 2021 10:35 CDT)</small></p> <p>Name: Dana Burghdoff Title: Assistant City Manager</p> <p>APPROVAL RECOMMENDED:</p> <p>By: <u><i>Steve Cooke</i></u> <small>Steve Cooke (Oct 19, 2021 13:56 CDT)</small></p> <p>Name: Steve Cooke Title: Property Management Director</p> <p>ATTEST:</p> <p>By: <u><i>Ronald P. Gonzales</i></u> Name: Ronald Gonzales Title: Acting City Secretary</p>	<p>CONTRACT COMPLIANCE MANAGER: By signing I acknowledge that I am the person responsible for the monitoring and administration of this contract, including ensuring all performance and reporting requirements.</p> <p>By: <u><i>Randy Rendon</i></u> Name: Randy Rendon Title: Fuel Service Manager</p> <p>APPROVED AS TO FORM AND LEGALITY:</p> <p>By: <u><i>Christopher Austria</i></u> Name: Christopher Austria Title: Assistant City Attorney</p> <p>CONTRACT AUTHORIZATION: M&C: 19-0413 Date Approved: 12/17/2019</p> <p>Form 1295 Certification No.: 2019-558791</p>
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Petroleum Traders Corporation

By: *Gayle Newton*
Name: Gayle Newton
Title: Contract Sales Manager



CITY COUNCIL AGENDA

DATE: 12/17/2019 **REFERENCE** M&C 19- **LOG NAME:** 13PMOTOR AND AVIATION
NO.: 0413 **FUEL LSJ PMD**

CODE: P **TYPE:** NON- **PUBLIC**
CONSENT **HEARING:** NO

SUBJECT: Award a Multiple National Award and Authorize Execution of Non-Exclusive Agreements with Mansfield Oil Co. of Gainesville, Inc., Martin Eagle Oil Company, Inc., Truman Arnold Companies, Pinnacle Petroleum, Inc., and Petroleum Traders Corporation in an Annual Amount Up to \$12,000,000.00 for Motor Fuels and Aviation Fuels for the Property Management Department and Other Public Agencies; Authorize Execution of a Rebate Agreement with National Intergovernmental Purchasing Alliance Company d/b/a OMNIA Partners, Public Sector (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council:

1. Award a multiple national award to Mansfield Oil Co. of Gainesville, Inc., Martin Eagle Oil Company, Inc., Truman Arnold Companies, Pinnacle Petroleum, Inc., and Petroleum Traders Corporation as suppliers of motor and aviation fuels for public agencies in all forty-eight contiguous states in the United States;
2. Authorize Execution of Non-Exclusive Agreements with Mansfield Oil Co. of Gainesville, Inc., Martin Eagle Oil Company, Inc., Truman Arnold Companies, Pinnacle Petroleum, Inc., and Petroleum Traders Corporation in an annual amount up to \$12,000,000.00 for Motor and Aviation Fuels for the Property Management Department; and
3. Authorize Execution of a Rebate Agreement with National Intergovernmental Purchasing Alliance Company d/b/a OMNIA Partners, Public Sector.

DISCUSSION:

The Property Management Department and other public agencies throughout the United States will use these agreements to obtain unleaded, diesel, Jet-A fuels, and alternative fuels required in the DFW nonattainment area to supply and operate equipment. No guarantee was made that a specific amount of these fuels would be purchased. Unleaded and diesel fuel will be used by various City departments. The Jet-A aviation fuel will be used by the Police Department.

The City previously awarded separate agreements for unleaded fuels and diesel fuels on December 2, 2014 (M&C P-11056) and for Jet-A aviation fuel on June 7, 2011 (M&C P-11716). The previous Agreements were competitively bid. During the previous year, the City purchased approximately \$5,370,552.18 of motor fuels and approximately \$42,643.00 of Jet-A aviation fuels. The additional estimated annual amount listed in this action is requested to cover potential increases in prices and volumes over the five year term of the Agreement. A price change of 50 cents per gallon can impact the annual expenditures by \$1,000,000.00.

Other public agencies participating in the previous agreements have purchased approximately 44,194,959 gallons of motor fuels. The City of Fort Worth expects to save approximately \$45,000.00 annually over previous agreements as a direct result of the increased volume of participation of the other public agencies.

Under the Rebate Agreement, the City of Fort Worth will receive a minimum of 8.333 percent of a one-cent administration fee that is paid to National Intergovernmental Purchasing Alliance d/b/a OMNIA Partners, Public Sector by the petroleum vendors for each gallon of fuel sold under these national cooperative contracts. This rebate could generate approximately \$50,000.00 annually in revenue to the City. The City will have no liability or responsibility for purchases by other public agencies. The Non-Exclusive Agreements were bid as a National Cooperative Purchasing Request for Proposals (RFP) to develop and encourage cooperative purchasing efforts to reduce the cost of motor and aviation fuel to the City and other public agencies. The RFP included estimated annual quantities from current public agencies using the contract and allowed for quantities additional new agencies may have under the contract with a total estimated quantity of 50 million gallons. The RFP evaluation factors included responsiveness and clarity of proposal, ability to meet City of Fort Worth specifications, the National Program, vendor qualifications and contract cost. Representatives of the City's Property Management Department, Fire, Police, Code Compliance, Transportation and Public Works and Water Departments were invited to participant in the evaluation. However, only Purchasing Division, Property Management Department, and Code Compliance participated in the evaluation of the proposals received and found all five participating fuel providers qualified in multiple categories; Mansfield Oil Co. of Gainesville, Inc., Martin Eagle Oil Company, Inc., Truman Arnold Companies, Pinnacle Petroleum, Inc., and Petroleum Traders Corporation to be the best evaluated firms for award of the agreements.

ADVERTISEMENT - A Request for Proposals (RFP) was advertised in the Fort Worth Star-Telegram on August 21, 2019, August 28, 2019, September 4, 2019, September 11, 2019, September 18, 2019, September 25, 2019 and October 2, 2019. Thirteen vendors were solicited from the purchasing database; five responses were received.

M/WBE OFFICE - A waiver of the goal for MBE/SBE subcontracting requirements was requested by the Purchasing Division and approved by the M/WBE Office, in accordance with the BDE Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

ADMINISTRATIVE CHANGE ORDER - An administrative change order or increase may be made by the City Manager in the amount up to \$50,000.00 and does not require specific City Council approval as long as sufficient funds have been appropriated.

AGREEMENT TERM - Upon City Council approval, these Agreements shall have an initial term of five years beginning on January 1, 2020 and ending on December 31, 2020.

RENEWAL OPTIONS - These Agreements may be renewed for up to four successive one-year terms at the City's option. This action does not require specific City Council approval, provided the City Council has appropriated sufficient funds to satisfy the City's obligation during the renewal term.

FISCAL INFORMATION/CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations funds are available in the current operating budget, as appropriated, and that contingent on the approval and the adoption of the Fiscal Year 2021 Budget by the City Council, funds will be available in the Fiscal Year 2021 Operating Budget, as appropriated, in the Fleet & Equipment Services (Fleet & Equip Serv) Fund. Prior to an expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

BQN\

TO

Fund	Department	Account	Project	Program	Activity	Budget	Reference #	Amount
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	ID		ID		Year	(Chartfield 2)	
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FROM

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
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Submitted for City Manager's Office by:

Kevin Gunn (2015)

Originating Department Head:

Reginald Zeno (8517)

Additional Information Contact:

Cynthia Garcia (8525)

LaKita Slack-Johnson (8314)

ATTACHMENTS