

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Streets and Maintenance Department

AGENDA DATE: August 8, 2017

CONTACT PERSON/PHONE: Ted Marquez, Streets and Maintenance Director, (915) 212-7015
Bruce D. Collins, Purchasing Director, (915) 212-1181

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: NO. 6: Set the Standard for Sound Government and Fiscal Management

SUBJECT:

That the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Unleaded (“Unleaded Contract”) with Tigua Transportation Inc. to extend the term for up to an additional six (6) month period on a month-to-month basis to begin on August 14, 2017 and end February 14, 2018, to be compensated based on the fuel purchased for an estimated amount of \$1,080,000.00; and that the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Diesel (“Diesel Contract”) with C&R Distributing LLC to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, to be compensated based on the fuel purchased for an estimated amount of \$1,320,000.00.

BACKGROUND / DISCUSSION:

Streets and Maintenance requests approval of resolution authorizing the City Manager to sign First Amendment of Automotive Fuel Contract 2012-039 in order to continue to provide fuel to the City of El Paso's fleet of vehicles and equipment. The current contract is set to expire August 13, 2017 and this extension is necessary to allow Purchasing and Strategic Sourcing ample time to complete a new solicitation.

SELECTION SUMMARY:

N/A

PROTEST

☒ No protest received for this requirement.

☐ Protest received.

COUNCIL REPRESENTATIVE BRIEFING:

Was a briefing provided? ☐ Yes or ☒ No
If yes, select the applicable districts.

- ☐ District 1
- ☐ District 2
- ☐ District 3
- ☐ District 4
- ☐ District 5
- ☐ District 6
- ☐ District 7
- ☐ District 8
- ☐ All Districts

PRIOR COUNCIL ACTION:

This contract was originally approved Council on February 14, 2012

AMOUNT AND SOURCE OF FUNDING:

Department:	Streets and Maintenance Department
Revised Estimated Amount:	\$2,400,000.00
Revised Total Estimated Award:	\$53,729,623.50
Funds Available:	Dept: 532 Div: 37020 Acct: 531240 Fund: 3600 Program Code: P3711
Funds Source:	Internal Service Fund – Fuel Inventory Purchases

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:



Ted Marquez, Streets and Maintenance Director

**COUNCIL PROJECT FORM
(CONTRACT EXTENSION)**

*******POSTING LANGUAGE BELOW*******

Please place the following item on the **REGULAR** agenda for the Council Meeting of **AUGUST 8, 2017.**

STRATEGIC GOAL: NO. #6 SET THE STANDARD FOR SOUND GOVERNMENT AND FISCAL MANAGEMENT

That the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Unleaded (“Unleaded Contract”) with Tigua Transportation, Inc. to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, to be compensated based on the fuel purchased for an estimated amount of \$1,080,000.00; and that the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Diesel (“Diesel Contract”) with C&R Distributing LLC to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, to be compensated based on the fuel purchased for an estimated amount of \$1,320,000.00.

*******ADDITIONAL INFO BELOW*******

RESOLUTION

WHEREAS, on February 14, 2012, the City of El Paso (“City”) entered into Contract 2012-039 Automotive Fuel – Unleaded (“Unleaded Contract”) with Tigua Transportation Inc. (Unleaded Company”) and Contract 2012-039 Automotive Fuel – Diesel (“Diesel Contract”) with C&R Distributing LLC (“Diesel Company”) for General Services, Fleet Division for a term three (3) years and one (1) option to extend for two (2) years; and

WHEREAS, on November 11, 2014, the City exercised the option to extend the Unleaded and Diesel Contracts for two years beginning February 14, 2015 to February 13, 2017; and

WHEREAS, the term was automatically extended on a month-to-month basis for up to six months while the City procured replacement services until August 13, 2017; and

WHEREAS, the City intends to reissue a solicitation to procure diesel and unleaded automotive fuel and the City and the Companies desire to extend the term of their Contracts for an additional period up to six months on a month-to-month basis to allow the City time to complete the solicitation process; and

WHEREAS, the Companies are able to and agree to amend the term of their Contracts with the City to add an additional period of up to six (6) months to the term on a month-to-month basis.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Unleaded (“Unleaded Contract”) with Tigua Transportation, Inc. to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, to be compensated based on the fuel purchased for an estimated amount of \$1,080,000.00; and that the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Diesel (“Diesel Contract”) with C&R Distributing LLC to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, to be compensated based on the fuel purchased for an estimated amount of \$1,320,000.00.

(Signature Page to Follow)

ADOPTED THIS _____ DAY OF _____ 2017.

CITY OF EL PASO:

Dee Margo, Mayor

ATTEST:

Laura D. Prine
Interim City Clerk

APPROVED AS TO FORM:

Karen Y. Dykes
Assistant City Attorney

APPROVED AS TO CONTENT:

Bruce D. Collins, Director
Purchasing & Strategic Sourcing

RESOLUTION

WHEREAS, on February 14, 2012, the City of El Paso ("City") entered into Contract 2012-039 Automotive Fuel – Unleaded ("Unleaded Contract") with Tigua Transportation Inc. (Unleaded Company") and Contract 2012-039 Automotive Fuel – Diesel ("Diesel Contract") with C&R Distributing LLC ("Diesel Company") for Streets and Maintenance, Fleet Division;

WHEREAS, the terms of the Unleaded and Diesel Contracts commenced on February 14, 2012; ended on February 14, 2015; were extended for two years until February 14, 2017; and are currently continuing month-to-month until August 13, 2017;

WHEREAS, the City intends to issue a new solicitation to procure diesel and unleaded automotive fuel and the City and the Companies desire to extend the term of their Contracts for an additional period up to six (6) months on a month-to-month basis to allow the City time to complete the solicitation process;

WHEREAS, the Companies are able to and agree to amend the term of their Contracts with the City to add an additional period of up to six (6) months to the term on a month-to-month basis.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Unleaded ("Unleaded Contract") with Tigua Transportation Inc. to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, for an amount not to exceed One Million Eighty Thousand 00/100 Dollars (\$1,080,000.00) added to the total amount of the Unleaded Contract; and that the City Manager be authorized to sign a First Amendment to Contract 2012-039 Automotive Fuel – Diesel ("Diesel Contract") with C&R Distributing LLC to extend the term for up to an additional six (6) month period on a month-to-month basis to begin August 14, 2017 and end February 14, 2018, for an amount not to exceed One Million Three Hundred Twenty Thousand 00/100 Dollars (\$1,320,000.00) added to the total amount of the Diesel Contract.

(Signature Page to Follow)

ADOPTED THIS _____ DAY OF _____ 2017.

CITY OF EL PASO:

Dee Margo, Mayor

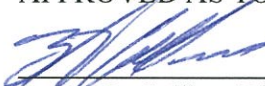
ATTEST:

Laura Prine, City Clerk

APPROVED AS TO FORM:

Karen Y. Dykes
Assistant City Attorney

APPROVED AS TO CONTENT:



Bruce D. Collins, Director
Purchasing & Strategic Sourcing

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)
)
FIRST AMENDMENT TO AUTOMOTIVE
FUEL – UNLEADED CONTRACT
STREETS AND MAINTENANCE,
FLEET DIVISION

This First Amendment to Automotive Fuel – Unleaded Contract 2012-039 (“Contract”) is made this _____ day of _____, 2017 by and between the **CITY OF EL PASO**, a municipal corporation organized and existing under the laws of the State of Texas, hereinafter referred to as the “City”, and **Tigua Transportation Inc.**, hereinafter referred to as the “Company”.

WHEREAS, on February 14, 2012, the City entered into the Contract with Tigua Transportation Inc. for unleaded automotive fuel for the City’s Streets and Maintenance, Fleet Division;

WHEREAS, the term of the Contract commenced on February 14, 2012; ended on February 14, 2015; was extended for two years until February 14, 2017; and is currently continuing month-to-month until August 13, 2017;

WHEREAS, the City intends to issue a new solicitation to procure diesel and unleaded automotive fuel and the City and the Company desire to extend the term of the Contract for an additional period up to six (6) months on a month-to-month basis to allow the City time to complete the solicitation process;

WHEREAS, the Company is able to and agrees to amend the term of the Contract to add an additional period of up to six (6) months to the term on a month-to-month basis.

WHEREAS, Company is able to and agrees to amend the term of the Contract to add an additional period of up to six (6) months to the term of the agreement on a month-to-month basis;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Term:** The City and the Company acknowledge that the term of the Contract is being extended through February 14, 2018 on a month-to-month basis. The City may terminate this agreement for convenience with thirty (30) days written notice to Company. It is also understood and agreed that upon termination, the Company shall provide one final invoice for all fuel provided prior to termination.
2. **Compensation:** The City shall compensate the Company in accordance with the Contract.
3. Except as expressly modified herein, all other terms and conditions of the Contract shall remain in full force and effect and shall remain as written.

(Signature Page to Follow)

IN WITNESS WHEREOF, this First Amendment to Automotive Fuel – Unleaded Contract 2012-039 has been approved by the parties hereto as of the date first noted above.

CITY OF EL PASO

Tomás González,
City Manager

APPROVED AS TO FORM:

Karen Y. Dykes
Assistant City Attorney

APPROVED AS TO CONTENT:

Bruce D. Collins, Director
Purchasing and Strategic Sourcing Dept.

ACKNOWLEDGEMENT

**THE STATE OF TEXAS §
 §
COUNTY OF EL PASO §**

This instrument was acknowledged before me on this ____ day of _____, 2017,
by **Tomás González**, as **City Manager** of the **City of El Paso, Texas**.

Notary Public, State of Texas

My commission expires:

**COMPANY:
TIGUA TRANSPORTATION INC.**

ACKNOWLEDGEMENT

**THE STATE OF TEXAS §
 §
COUNTY OF EL PASO §**

This instrument was acknowledged before me on this ____ day of _____, 2017,
by _____, as **Tigua Transportation Inc.**

Notary Public, State of Texas

My commission expires:

THE STATE OF TEXAS)	FIRST AMENDMENT TO AUTOMOTIVE
)	FUEL – DIESEL CONTRACT
COUNTY OF EL PASO)	STREETS AND MAINTENANCE,
)	FLEET DIVISION

This First Amendment to Automotive Fuel – Diesel Contract 2012-039 (“Contract”) is made this _____ day of _____, 2017 by and between the **CITY OF EL PASO**, a municipal corporation organized and existing under the laws of the State of Texas, hereinafter referred to as the “City”, and **C&R Distributing LLC**, hereinafter referred to as the “Company”.

WHEREAS, on February 14, 2012, the City entered into the Contract with the Company for diesel automotive fuel for the City’s Streets and Maintenance, Fleet Division;

WHEREAS, the term of the Contract commenced on February 14, 2012; ended on February 14, 2015; was extended for two years until February 14, 2017; and is currently continuing month-to-month until August 13, 2017;

WHEREAS, the City intends to issue a new solicitation to procure diesel and unleaded automotive fuel and the City and the Company desire to extend the term of the Contract for an additional period up to six (6) months on a month-to-month basis to allow the City time to complete the solicitation process;

WHEREAS, the Company is able to and agrees to amend the term of the Contract to add an additional period of up to six (6) months to the term on a month-to-month basis.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Term:** The City and the Company acknowledge that the term of the Contract is being extended through February 14, 2018 on a month-to-month basis. The City may terminate this agreement for convenience with thirty (30) days written notice to Company. It is also understood and agreed that upon termination, the Company shall provide one final invoice for all fuel provided prior to termination.
2. **Compensation:** The City shall compensate the Company in accordance with the Contract.
3. Except as expressly modified herein, all other terms and conditions of the Contract shall remain in full force and effect and shall remain as written.

(Signature Page to Follow)

IN WITNESS WHEREOF, this First Amendment to Automotive Fuel – Diesel Contract 2012-039 has been approved by the parties hereto as of the date first noted above.

CITY OF EL PASO

Tomás González,
City Manager

APPROVED AS TO FORM:

Karen Y. Dykes
Assistant City Attorney

APPROVED AS TO CONTENT:

Bruce D. Collins, Director
Purchasing and Strategic Sourcing Dept.

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on this ____ day of _____, 2017,
by **Tomás González**, as **City Manager of the City of El Paso, Texas**.

Notary Public, State of Texas

My commission expires:

COMPANY:
C&R DISTRIBUTING LLC

ACKNOWLEDGEMENT

THE STATE OF TEXAS §
§
COUNTY OF EL PASO §

This instrument was acknowledged before me on this ____ day of _____, 2017,
by _____, as **C&R Distributing LLC**.

Notary Public, State of Texas

My commission expires:



Streets and Maintenance Department

Automotive Fuel – Diesel and Unleaded 2012-039

2012-039 Automotive Fuel Diesel and Unleaded

August 8, 2017



Streets and Maintenance Department

Automotive Fuel – Diesel and Unleaded 2012-039

Strategic Plan Goal:

6) Set the Standard for Sound Governance and Fiscal Management



Streets and Maintenance Department

Automotive Fuel – Diesel and Unleaded 2012-039

Purpose of Resolution

- To add and additional period of six months to the term of the original contract
- \$2,400,000 added to the total amount of the contract
- Allows the City time to complete solicitation process for new Automotive Fuel contract



Streets and Maintenance Department

Automotive Fuel – Diesel and Unleaded 2012-039

Contractor	Tigua Transportation Inc. (Unleaded Automotive Fuel) C&R Distributing LLC (Diesel Fuel)
Item(s)	Unleaded Automotive Fuel Diesel Automotive Fuel
Additional Term	6 months
Option	None
Estimated Award	\$1,080,000 for Unleaded Fuel \$1,320,000 for Diesel Fuel
Funding Source	Streets and Maintenance – Supply Support Fund– Fuel Inventory Purchases
Account No.	SAM - 532-37020-531240-3600-P3710



Streets and Maintenance Department

Automotive Fuel – Diesel and Unleaded 2012-039

Questions & Comments