

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

**DEPARTMENT:** General Services – Fleet Division

**AGENDA DATE:** November 11, 2014

**CONTACT PERSON/PHONE:** Larry F. Nichols, Interim General Services Director, (915) 212-8000  
Bruce D. Collins, Purchasing Director, (915) 212-1181

**DISTRICT (S) AFFECTED:** ALL

**SUBJECT:**

Request that the Purchasing Director for Purchasing & Strategic Sourcing Department be authorized to exercise the City's option to extend current Contract 2012-039 (Automotive Fuel – Diesel and Unleaded) with C &R Distributing, LLC and Tigua Transportation, Inc. for two (2) additional years pursuant to the provisions of an award approved by the City Council on February 14, 2012. The total estimated award amount is \$20,531,849.40. The extended contract period will be from February 14, 2015 to February 13, 2017.

<u>Vendor</u>	<u>Annual Amount</u>	<u>2-year</u>
C&R Distributing, LLC	\$5,746,613.40	\$11,493,226.80
Tigua Transportation	\$4,519,311.30	\$ 9,038,622.60
Total 2 year amount		\$20,531,849.40

**BACKGROUND / DISCUSSION:**

The City currently owns 1600 light duty vehicles and 600 heavy duty vehicles which all require the use of fuel for daily operation. Approving this extension would permit continual use of the vehicles allowing each department to fulfill their mission. C&R Distributing is used as the supplier of Diesel and Red Dyed Diesel fuel and Tigua Transportation, Inc. is used as the supplier for unleaded fuel. Local business is being supported.

**PRIOR COUNCIL ACTION:**

Yes. Council previously approved contract 2012-039 on February 14, 2012, Item 9.

**SELECTION SUMMARY:**

Exercising this option would meet the following threshold considerations (i) funds available; (ii) requirement fills and existing city need; (iii) informal analysis of price indicates the option price is better than available market prices or the most advantageous current offer, and; (iv) Vendor's performance meets or exceeds a "7-8" performance rating. Based upon our evaluation of above factors, Purchasing Division recommends exercising the available option.

**AMOUNT AND SOURCE OF FUNDING:**

Department: General Services – Fleet Division  
Total Estimated Award: \$20,531,849.40  
Funds Available: Dept: 231 Div: 37020 Acct: 531240 Fund: 3600 Program Code: P3710  
Funds Source: Fuel Inventory Purchases

**BOARD / COMMISSION ACTION:**

N/A

\*\*\*\*\*AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

  
\_\_\_\_\_  
Larry F. Nichols, Interim General Services Director

**COUNCIL PROJECT FORM  
(CONTRACT EXTENSION)**

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

Please place the following item on the REGULAR agenda for the Council Meeting of NOVEMBER 11, 2014.

Discussion and action on the request that the Purchasing Director for Purchasing & Strategic Sourcing Department be authorized to exercise the City's option to extend current Contract 2012-039 (Automotive Fuel – Diesel and Unleaded) with C&R Distributing, LLC and Tigua Transportation, Inc. for two (2) additional years pursuant to the provisions of an award approved by the City Council on February 14, 2012. The extended contract period will be from February 14, 2015 to February 13, 2017.

Department:	General Services – Fleet Division
Award to: Vendor 1	C&R Distributing, LLC El Paso, TX
Option:	One [of One]
Annual Estimated Amount:	\$5,746,613.40
Estimated Award:	\$11,493,226.80 (2 years)

Award to: Vendor 2	Tigua Transportation, Inc. El Paso, TX
Option:	One [of One]
Annual Estimated Amount:	\$4,519,311.30
Estimated Award:	\$9,038,622.60 (2 years)

Total Estimated Award:	\$20,531,849.40 (2 years)
Account No.:	231-37020-531240-3600-P3710
Funding Source:	Fuel Inventory Purchases

District(s):	All
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This is a Low Bid, supplies contract.

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

**MOTION  
FEBRUARY 14, 2012**

Motion made by Representative Noe, seconded by Representative Byrd, and unanimously carried to **AWARD** Solicitation No. 2012-039 (Automotive Fuel – Diesel and Unleaded) to C & R Distributing, LLC and Tigua Transportation, Inc. for an initial term estimated award of \$30,797,774.10.

Department:	General Services
Award to: Vendor 1	C & R Distributing, LLC
	El Paso, TX
Items:	Group II, Group III
Option:	2 years
Annual Estimated Award:	\$ 5,746,613.40

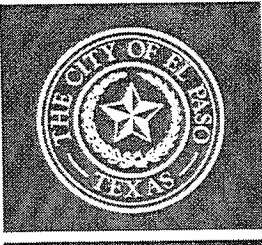
Award to: Vendor 2	Tigua Transportation, Inc.
	<del>El Paso, TX</del>

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Items:	Group I
Option:	2 years
Annual Estimated Award:	\$ 4,519,311.30
Initial Term:	3 years
Annual Estimated Award:	\$10,265,924.70
Initial Term Estimated Award:	\$30,797,774.10 (3 years)
Total Estimated Award:	\$51,329,623.50 (5 years)
Account No.:	37370510 – 503124 – 45202
Funding Source:	Internal Service Fund, Fuel Inventory Purchases, General Services Department

This is a low bid procurement, hire El Paso first local business preference award. The Financial Services - Purchasing Division and General services recommend award as indicated to C & R Distributing, LLC and Tigua Transportation, Inc. the bidders offering the lowest bids.

Richarda Duffy Momsen, City Clerk



## Purchasing & Strategic Sourcing Department

### Seven (7) Factor Option Memo

CITY CLERK DEPT.  
2014 NOV 10 AM 8:26

Mayor  
Oscar Leeser

To: Purchasing & Strategic Sourcing Department  
From: René Barraza, Business and Finance Manager  
Subject: Seven (7) Factor Option  
Date: October 28, 2014  
Re: Contract No. 2012-039 – Automotive Fuel - Diesel and Unleaded

#### City Council

District 1  
Ann Morgan Lilly

District 2  
Larry Romero

District 3  
Emma Acosta

District 4  
Carl L. Robinson

District 5  
Dr. Michiel R. Noe

District 6  
Claudia Ordaz

District 7  
Lily Limón

District 8  
Cortney C. Niland

City Manager  
Tommy Gonzalez

General Services – Fleet Division recommends authorizing the Option to Extend Contract 2012-039 (Automotive Fuel - Diesel and Unleaded) for 2 years for the purchase of diesel and unleaded fuel. Exercising this option would meet the following threshold considerations:

**1. Are funds available for this Option to Extend?**

Yes

**2. Does the Requirement covered by this option fill an existing need of the City?**

Yes

**3. Is the option price better than the current available market price?**

As per the Oil Price Information Service (OPIS) report, the City's pricing for fuel is \$0.30 below the retail price. As of today (10/28/14) local fuel pricing is an average of \$2.79 per gallon when OPIS is \$2.33 per gallon.

**4. Is the time between the date the contract was awarded and the date the option to extend is exercised so short that the market indicates the option is the lowest price obtainable through competition or the most advantageous offer?**

The current vendor has been providing this service to the City since being awarded in 2012. Pricing is consistent or better than current market prices.

**5. Does the attached Vendor Performance Form show the vendor's performance rating to be "GOOD (7-8)" or better?**

Yes

**6. Is the vendor currently under debarred status as per System for Award Management (SAM) [www.sam.gov](http://www.sam.gov)?**

No.

**7. Is the proposed vendor indebted to the City for any amount as documented in the City's Indebtedness Verification Form?**

No.

Bruce D. Collins, CPPO

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