

MEMORANDUM

DATE: October 26, 2021

TO: Honorable Mayor and City Commission

VIA: James Slaton, City Manager

FROM: Stephanie Edwards, Support Services Manager

REGARDING: Contract Award – Tropic Oil Company

SYNOPSIS: *Staff is requesting Commission approval of the vendor selection of Tropic Oil Company for the purchase and delivery of gasoline and diesel fuel.*

RECOMMENDATION

It is recommended that the City Commission take the following actions:

1. Approve the contract with Tropic Oil Company, 1130 N. Scenic Highway, Lake Wales, FL, for the purchase of gasoline and diesel fuel.
2. Authorize the City Manager to execute the contract on behalf of the City.

BACKGROUND

City staff advertised a Request for Proposals RFP 21-495(2) for the purchase and delivery of fuel as the City's current fuel delivery contract expired September 30, 2021.

Tropic Oil Company, the City's current provider, was the only qualified bidder to respond with a proposal. Tropic Oil Company submitted a proposal with a firm markup of \$0.2099 per gallon of Unleaded Gasoline, On Road Diesel and Off Road Diesel.

In addition to delivering fuel to the City's fuel sites and generators, Tropic Oil Company offers the following benefits to the City:

- A terminal located within Lake Wales. This reduces the delivery fees and provides the City with an additional fuel site if needed during a disaster event.
- Five fuel outlets located within the city limits. Each of these retail outlets can be made available for City use during a disaster event if needed.
- A full service, in-house, maintenance department. Tropic Oil maintenance staff can repair City-owned fuel tanks, pumps, hoses, meters, etc.
- The ability to provide 90 Rec non-ethanol gasoline. The use of non-ethanol gasoline in small-engine equipment has reduced the maintenance requirements of the equipment.

OTHER OPTIONS

The City Commission may choose not to award this contract to Tropic Oil Company and direct staff to re-advertise the Request for Proposals.

FISCAL IMPACT

The City will expend an estimated \$222,000 for fleet fuel during FY 21'22.

ATTACHMENTS

Contract with Tropic Oil Company

RFP 21-495(2)

RFP Submittal from Tropic Oil Company