

CITY COUNCIL MEMORANDUM

From: The Office of the City Manager **Date:** December 11, 2023
Subject: Authorize the purchase of gasoline and diesel fuel from Saratoga Rack Marketing using Tarrant County Annual Contract No. 2023-070 in an amount not to exceed \$850,000 annually.
Presenter: Zane Ryan, Fleet Services Manager

Summary:

Staff is requesting authorization for the City Manager to execute a Cooperative Customer Purchasing Agreement with Saratoga Rack Marketing for gasoline and diesel fuel. Tarrant County awarded Saratoga Rack Marketing the primary fuel contract for Tarrant County and this agreement is based upon that award and the existing interlocal purchasing agreement with Tarrant County. The Tarrant County contract is a (1) one-year agreement with (3) three, one-year renewal options. The initial year of the contract expired on April 6, 2023, and the contract is now in its second year. This purchase agreement is in effect through April 6, 2024, and will automatically renew, assuming Tarrant County extends its renewal options.

General Description:

On March 14, 2023, the City initially awarded our fuel contract to W. Douglas Distributing LTD., dba as Jack Ray Oil Company. However, in November of 2023, W. Douglas Distributing LTD. was purchased by OFFEN Petroleum who has not been ratified by the Tarrant court as an awarded bidder as of November 30, 2023, voiding our current agreement. Saratoga Rack Marketing was awarded the Tarrant County primary gasoline and diesel fuel contract by the Tarrant County Commissioner's Court. This is a twelve (12) month contract, effective April 7, 2023, and lasting through April 6, 2024, with two (2) remaining options for renewal periods of twelve (12) months each.

Utilizing the existing interlocal purchasing agreement with Tarrant County, the City, if authorized by the City Council, will enter into an agreement with Saratoga Rack Marketing for the purchase of gasoline and diesel fuel. All state competitive bidding requirements have been met by purchasing services through an Interlocal Agreement.

The City Council is being requested to authorize the agreement that follows the Tarrant County agreement through April 6, 2024. As long as funds are appropriated in the city's annual budget each year for these expenses for the renewal of the two remaining one-year renewals, provided the terms and conditions of the contract do not change, the remaining renewals will not require additional City Council approval.

Recommendation:

Authorize the purchase of gasoline and diesel fuel from Saratoga Rack Marketing, using Tarrant County Annual Contract No. 2023-070 in an amount not to exceed \$850,000 annually.