



To: Scott R. Niehaus, Village Manager
Through: Carl S. Goldsmith, Director of Public Works
From: John L. Mannino, Fleet Supervisor
Date: March 7, 2017
Subject: Joint Purchasing of Fuel

Staff is able to secure better fuel pricing by joint purchasing fuel through the DuPage County joint purchase fuel contract. Joint purchasing has proven to be a reliable way of supplying the Village with fuel at the lowest cost.

Since the cost of a load of fuel may exceed the Village's statutory purchase limit as specified in the purchasing manual (\$20,000) staff needs to establish approval from the board to continue to buy fuel using a joint purchase contract. These joint contracts establish a fixed delivery fee and are renewed or re-bid annually. The specifications used in the preparation of the sealed bids are based on the OPIS (Oil Price Information Service) prices, which are the benchmark prices used by the world to buy and sell U.S. gasoline, diesel, ethanol, bio-diesel, LP-gas, jet fuel, crude, propane and kerosene.

The DuPage County contract (#16-043-BF) that was awarded to Buchanan Energy of Omaha, NE. last year has been renewed for an additional year. The contract delivery prices have remained the same. The price for gasoline is the low rack average daily OPIS price plus \$.005 per gallon for delivery. The price for diesel is the low rack average daily OPIS price plus \$.015 per gallon for delivery. It is therefore the recommendation of staff that fuel be purchased from Buchanan Energy in accordance with the DuPage County joint purchase contract for the length of the contract starting April 1, 2017 and ending March 31, 2018.

I recommend the B.O.T. award a contract to Buchanan Energy of Omaha, NE to supply gasoline and diesel fuel to the Village of Lombard as specified in the DuPage County joint purchase fuel contract. Please submit this item to the Village Board for their consideration at the March 16, 2017 meeting.



Procurement Review Checklist

Procurement Services Division

This form must accompany all Purchase Order Requisitions
Attach Required Vendor Ethics Disclosure Statement

Date: Jan 26, 2017

MinuteTraq (IQM2) ID #: 9190

Vendor: Buchanan Energy, LLC	Vendor #: 24431	Contract Term: 4/1/2017 - 3/31/2018	Contract Total: \$1,272,400.00
Dept: Transportation	Contact: Joe Bechtold	Phone: 630-407-6930	Assigned Committee: Transportation
Description of Procurement/ Scope of Work/ Background	To furnish and deliver gasoline and diesel fuel for a contract total not to exceed, \$1,272,400.00		
Reason for Procurement	To provide gasoline and diesel fuel for County owned and operated vehicles and equipment.		
FUNDING SOURCE			

Procurement budgeted for (FY and budget code(s)): 1500-3520-52260 (DOT) 1000-1100-52260, 53300 (FM)

Budget Transfer (Date) _____ Add'l Information _____

DECISION MEMO NOT REQUIRED

LOWEST RESPONSIBLE QUOTE #, BID # or RFP # _____ (QUOTE < \$25,000, BID ≥ \$25,000; attach Tabulation)

RENEWAL, Enter Bid and/or PO# 16-043-BF

EXEMPT FROM BIDDING PER ILLINOIS COMPILED STATUTES

SOLE SOURCE per DuPage County Purchasing Ordinance, Article 4-102(5) (attach Sole Source Justification form)

PER 55 ILCS 5/5-1022 'Competitive Bids' (d) IT/Telecom purchases under \$35,000.00

PER 55 ILCS 5/5-1022 'Competitive Bids' (c) not suitable for competitive bidding. Explain below:

BASIS OF DECISION MEMO (attach Decision Memo)

EXPLANATION OF REQUEST FOR PROPOSAL RFP # _____ (include Evaluation Summary if applicable)

PROFESSIONAL SERVICES EXCLUDED per DuPage Ordinance (4-108) and 50 ILCS 510/2 (Architects, Engineers and Land Surveyors)

OTHER PROFESSIONAL SERVICES (detail vetting process on Decision Memo)

REQUEST WAIVER OF COUNTY BID RULES (only allowable to Statutory Limits)

OTHER THAN LOWEST RESPONSIBLE, BID # _____

PREPARED BY AND APPROVAL(S) (Initials Only)

DG, CPPB	Jan 26, 2017	<u>CS</u>	<u>2/3/17</u>		
Prepared By	Date	Recommended for Approval	Date	IT Approval, if required	Date

REVIEWED BY (Initials Only)

<u>BOA</u>	<u>2-8-17</u>	<u>jam</u>	<u>2-8-17</u>
Buyer	Date	Procurement Officer	Date

<u>P.P.R.</u>	<u>2-10-17</u>		
Chief Financial Officer (Decision Memos Over \$25,000)	Date	Chairman's Office (Decision Memos Over \$25,000)	Date