

060290
District A11

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda
Bids and Proposals

TO : President and Village Board of Trustees

FROM : William T. Lichter, Village Manager

DATE : May 22, 2006
Agenda Date June 1, 2006
TITLE : Bid Opening For: Gasoline and Diesel Fuel Contract

SUBMITTED BY: John Mannino, Fleet Supervisor *JM*

RESULTS:

Date Bids Were Published May 3, 2006
Bidding Closed May 19, 2006

Total Number of Bids Received 5

Total Number of Bidders Meeting Specifications 5

Bid Security Required Yes No

Performance Bond Required Yes No

Were Any Bids Withdrawn Yes No

Explanation:

Waiver of Bids Requested? Yes No

If yes, explain:

Award Recommended to Lowest Bidder? Yes No

Responsible Bidder?

If no, explain:

FISCAL IMPACT:

Engineer's estimate/budget estimate \$343,000

Amount of Award \$343,000

BACKGROUND/RECOMMENDATION:

Recommend the B.O.T award a contract to the lowest responsible bidder, Avalon Petroleum of Tinley Park II. For gasoline and diesel fuel. See attached memo.

Has Recommended Bidder Worked for Village Previously? Yes No

If yes, was quality of work acceptable? Yes No

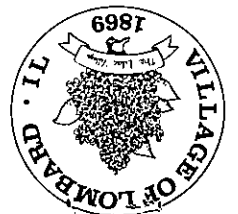
Was item bid in accordance with Public Act 85-1295? Yes No

Waiver of bids - Public Act 85-1295 does not apply? Yes No

REVIEW (as needed):

Village Attorney XX *[Signature]* Date 5/24/06
Finance Director XX *[Signature]* Date 5/24/06
Village Manager XX *[Signature]* Date 5/24/06

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 4:30 pm, Wednesday, prior to the Board Agenda distribution.



To: William Lichter, Village Manager

Through: Wes Anderson, Director of Public Works *WA*

From: John Mammio, Fleet Supervisor *JM*

Date: May 22, 2006

Subject: Award Bid #FS0722, Fuel Contract

Previously Public Works went out for bids and used purchase orders each time we purchased fuel. The increase in the cost of fuel places the Village at risk for exceeding statutory purchase limits. Additionally the system placed us in the position of possibly running out of fuel based on a lack of bidders during periods of large fluctuations in the cost of fuel. Public Works investigated available options and decided to implement fuel purchase contract procedures used by Schaumburg, Elk Grove, Naperville, and DuPage County.

The contract establishes a fixed delivery fee. The cost of the fuel would be established by the Oil Price Information Service (OPIS) daily average whole sale price for the Chicago area. Initial analysis has determined that this method would be revenue neutral. Public Works received five sealed bids. All bidders were asked to base their prices according to the May 11, 2006 (OPIS) average plus the fee they would charge for delivery and profit. The annual fees shown below are calculated based on the average quantity of fuel used in a year and each bidder's delivery fee.

Vendor	Annual Fee (unleaded)	Annual Fee (diesel)	Total fee based on expected usage annually
Avalon Petroleum Tinley Park, IL.	\$1,540	\$792	\$2,332
Texor Petroleum Riverside, IL.	\$1,375	\$990	\$2,365
Petroleum Traders Fort Wayne, IN.	\$1,617	\$1,148	\$2,765
OSCO Petroleum Lemont, IL.	\$5,500	\$1,800	\$7,300
Bell Fuels Chicago, IL.	\$8,525	\$3,690	\$12,215

I recommend the award of the contract to Avalon Petroleum of Tinley Park, IL, to supply gasoline and diesel fuel to the Village of Lombard as specified in the fuel contract. Please submit this item to the Village Board for their consideration at the June 1, 2006 meeting.

Quantity Purchased	Unleaded Fee per Gallon (\$)	Diesel Fee per Gallon (\$)	Winter Blend Diesel Fee per Gallon (\$)
Over 6000 gallons	0.014	0.022	0.022
Under 6000 gallons	0.039	0.039	0.039

Avalon Petroleum's fees follow: