

# Mayor and Council Communication

**DATE:** 01/28/25

**M&C FILE NUMBER:** M&C 25-0066

**LOG NAME:** 13P RFP 25-0001 MOTOR AND AVIATION FUEL & RELATED SRVCS MC PMD

**SUBJECT**

(ALL) Authorize Execution of Non-Exclusive Agreements with Pinnacle Petroleum, Inc., Mansfield Oil Company of Gainesville, Inc., TACenergy, LLC, Petroleum Traders Corporation, and Campbell Oil Company for a Five-Year Initial Term and One Two-Year Renewal, in a Combined Annual Amount Up to \$15,000,000.00 for the First Year of the Initial Term, \$17,250,000.00 for the Second Year of the Initial Term, \$19,837,500.00 for the Third Year of the Initial Term, \$22,813,125.00 for the Fourth Year of the Initial Term, \$26,235,094.00 for the Fifth Year of the Initial Term, \$30,170,358.00 for the First Year of the Renewal, and \$34,695,911.00 for the Second Year of the Renewal, for Motor and Aviation Fuel and Related Services for All City Departments

**RECOMMENDATION:**

It is recommended that the City Council authorize execution of non-exclusive agreements with Pinnacle Petroleum, Inc., Mansfield Oil Company of Gainesville, Inc., TACenergy, LLC, Petroleum Traders Corporation, and Campbell Oil Company for a five-year initial term and one two-year renewal, in a combined annual amount up to \$15,000,000.00 for the first year of the initial term, \$17,250,000.00 for the second year of the initial term, \$19,837,500.00 for the third year of the initial term, \$22,813,125.00 for the fourth year of the initial term, \$26,235,094.00 for the fifth year of the initial term, \$30,170,358.00 for the first year of the renewal, and \$34,695,911.00 for the second year of the renewal, for motor and aviation fuel and related services for all City Departments.

**DISCUSSION:**

The Property Management Department approached the Purchasing Division to solicit a bid for Unleaded, Jet-A, Diesel fuels, and alternative fuels required in the Dallas-Fort Worth nonattainment area to supply and operate vehicles and equipment. Unleaded and diesel fuel will be used by various City departments. The Jet-A aviation fuel will be used by the Police Department. Purchasing issued Request for Proposal (RFP) No. 25-0001 for Motor and Aviation Fuel & Related Services which consisted of detailed specifications of the City's standards and requirements.

The RFP was advertised in the *Fort Worth Star-Telegram* on October 16, 2024, October 23, 2024, October 30, 2024, November 6, 2024, November 13, 2024, November 20, 2024, November 27, 2024 and December 4, 2024. The City received a total of twelve (12) responses: Senergy Petroleum LLC dba Arizona, Atlantic Petroleum & Mineral Resources, Inc. dba Atlantic Petroleum, Campbell Oil Company, Global Montello Group, Mansfield Oil Company of Gainesville, Inc., Offen Petroleum, LLC, Petroleum Traders Corporation, Pinnacle Petroleum, Inc., SB Fleet Lube, Sunoco, LLC, TACenergy, LLC, and Tartan Oil LLC.

An evaluation panel, consisting of representatives from Code Compliance, Police, and Property Management departments evaluated and scored the submittals using Best Value criteria. The individual scores were averaged for each of the criteria, and the final scores are listed in the table below: Atlantic Petroleum & Mineral Resources, Inc. dba Atlantic Petroleum, was deemed non-responsive as it did not score at least 50% or more of the total available points for the technical criteria necessary for price evaluation, and was disqualified from the evaluation process. Once the technical evaluation was completed, Purchasing staff allocated points associated with pricing to each remaining vendor.

Bidders	Evaluation Criteria					Rank
	a	b	c	d	Total Score	
Pinnacle Petroleum, Inc.	20.50	19.50	16.00	29.51	85.51	1
Mansfield Oil Company of Gainesville, Inc.	19.00	20.00	13.60	29.49	82.09	2
TACenergy, LLC	17.50	16.50	14.00	29.28	77.28	3
Petroleum Traders Corporation	17.50	17.00	11.60	30.00	76.10	4
Campbell Oil Company	15.50	16.00	14.80	28.86	75.16	5
Sunoco LLC	17.00	17.50	12.00	28.65	75.15	6
SB Fleet-Lube	16.50	15.50	11.20	29.00	72.20	7
Global Montello Group Corp.	17.00	14.50	9.60	29.82	70.92	8
Offen Petroleum, LLC	15.50	12.00	13.20	29.77	70.47	9
Tartan Oil LLC	12.00	14.00	10.80	29.61	66.41	10

Senergy Petroleum LLC dba Arizona	11.50	14.00	10.00	29.02	64.52	11
Atlantic Petroleum & Mineral Resources, Inc. dba Atlantic Petroleum	12.50	11.00	11.20	Bidder did not meet 50% of technical points; therefore, was deemed non-responsive and disqualified from the evaluation process	34.70	12

The RFP document specified the use of the following Best Value Criteria:

- a. Proposer's Qualifications, Experience and References
- b. Method of Approach and Ability to meet the City's needs
- c. Additional Products, Quality, and Services
- d. Cost

After evaluation, the panel concluded that Pinnacle Petroleum, Inc., Mansfield Oil Company of Gainesville, Inc., TACenergy, LLC, Petroleum Traders Corporation, and Campbell Oil Company, presented the best value to the City. Therefore, the panel recommends that City Council authorize non-exclusive agreements with Pinnacle Petroleum, Inc., Mansfield Oil Company of Gainesville, Inc., TACenergy, LLC, Petroleum Traders Corporation, and Campbell Oil Company. No guarantee was made that a specific amount of these fuels would be purchased. Staff certifies that the recommended vendors' bids met specifications.

**FUNDING:** The combined annual amount allowed under these non-exclusive agreements for the first year of the initial term would be \$15,000,000.00; however, the actual amount used will be based on the need of the department and available budget. The Property Management Department is requesting a 15% annual increase to accommodate the acquisition of the Emergency Medical Services (EMS) fleet and the continuous growth of the City's fleet. Funding is budgeted in the Fuel Oil & Lubricants account within the participating departments' Operating Funds, as appropriated.

**BUSINESS EQUITY:** This solicitation was reviewed by The Business Equity Division for available business equity prospects according to the City's Business Equity Ordinance. There were limited business equity opportunities available for the services/goods requested, therefore, no business equity goal was established.

**AGREEMENT TERM:** Upon City Council approval, the initial term of these Non-Exclusive Agreements shall begin upon execution and shall expire five years from that date. The combined annual amount of these agreements is up to \$15,000,000.00 for the first-year initial term, \$17,250,000.00 for the second-year initial term, \$19,837,500 for the third-year initial term, \$22,813,125.00 for the fourth-year initial term, and \$26,235,094.00 for the fifth-year initial term.

**RENEWAL OPTIONS -** These Agreements may be renewed for up to one two-year term for up to \$30,170,358.00 for the first-year of the renewal, and \$34,695,911 for the second-year of the renewal, at the City's option. This action does not require specific City Council approval, provided the City Council has appropriated sufficient funds to satisfy the City's obligation during the renewal term.

**ADMINISTRATIVE CHANGE ORDER:** An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

**FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the participating departments' Operating Funds to support the approval of the above recommendation and execution of non-exclusive agreements. Prior to an expenditure being incurred, the participating departments have the responsibility to validate the availability of funds.

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