

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 05/13/25 M&C FILE NUMBER: M&C 25-0409

LOG NAME: 13P AMEND ITB 20-0025 OILS AND LUBRICANTS EC PMD

SUBJECT

(ALL) Authorize Amendment to Agreement with Brenntag North America, Inc. for Oils and Lubricants to Increase the Annual Spending Authority by \$15,250.00 for a New Total Annual Amount Up to \$326,250.00 for the Property Management Department

RECOMMENDATION:

It is recommended that City Council authorize an amendment to the agreement with Brenntag North America, Inc. for oils and lubricants to increase the annual spending authority by \$15,250.00 for a new total annual amount up to \$326,250.00 for the Property Management Department.

DISCUSSION:

BACKGROUND: On March 3, 2020, the City of Fort Worth ("City") entered into an agreement with J.A.M. Distributing Company for oils and lubricants for the Property Management Department, in relation to Invitation to Bid No. 20-0025 (Mayor & Council Communication (M&C) No. 20-0111; the "Agreement"). The Agreement is utilized by the Department to purchase oils and lubricants for use in City-owned vehicles and equipment.

On August 10, 2022, J.A.M. Distributing Company assigned to Brenntag North America, Inc. all of its rights, title and interest in, and obligations under the Agreement.

The terms of the Agreement allowed for four annual renewal options and the parties utilized all four renewals. On February 28, 2025, the City of Fort Worth and Brenntag North America, Inc. agreed to extend the expiration of the agreement by 90 days to June 3, 2025.

During the life of the agreement, an administrative change order of \$50,000.00 was executed, without the approval of City Council, as allowed by M&C 20-0111 and the City's Code of Ordinances, bringing the total annual amount up to \$311,000.00.

PURPOSE: An analysis of needs through the new expiration date concluded that more funds were required than were currently authorized. Property Management Department requested Purchasing amend the Agreement to add an additional \$15,250.00 in funding for a new annual total up to \$326,250.00. This increase will bring the total of additional funds added to 25% of the original \$261,000 and is the maximum remaining amount available under Section 252.048(d) of the Texas Government Code.

The purpose of the additional funds will be to maintain continuity of supplies until the agreement that will replace Invitation to Bid (ITB) 20-0025 is authorized and executed.

TERMS OF AGREEMENT: This agreement shall expire on June 3, 2025 with no further renewals or extensions.

FUNDING: The maximum annual amount allowed under this agreement will be \$326,250.00. However, the actual amount used will be based on the needs of the department and available budget. Funding is budgeted in the Oil and Lubricant Purchases account within the Fleet & Equipment Serv Fund for the Property Management Department.

This project will serve ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Brenntag N. America is a wholly owned subsidiary of Brenntag SE, which is a publicly traded company on the Frankfurt Stock Exchange, their exchange symbol is BNR.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current operating budget, as previously appropriated, in the Fleet & Equipment Serv Fund to support the approval of the above recommendation and execution of the amendment. Prior to any expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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