

# T Transportation Committee

**Business Item**  
Item: 2012-121 SW

**Meeting Date: April 9, 2012**

**Metropolitan Council Meeting on April 11, 2012**

## ADVISORY INFORMATION

**Date:** March 31, 2012  
**Subject:** Authorization to Award Contract for Gasoline Supplier  
**District(s), Member(s):** All Council Members  
**Policy/Legal Reference:** Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$250,000  
**Staff Prepared/Presented:** Arlene McCarthy, Director MTS (651-602-1754)  
Gerri Sutton, Assistant Director MTS (651-602-1672)  
Paul Colton, Senior Manager Metro Mobility (651-602-1668)  
Micky Gutzmann, Director, Contracts and Procurement (612-602-1741)  
**Division/Department:** Metropolitan Transportation Services / Metro Mobility

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a contract with Mansfield Oil Company to supply gasoline in accordance with Council specifications in an amount not to exceed \$9,661,275 for a two-year term with an option to extend the contract term for one additional year at an estimated cost of \$4,830,638.

### Background

As of July 2012, Metro Mobility's core providers will have 330 gasoline powered vehicles in service. Fuel to operate these vehicles is purchased by the Council through a contracted supplier and delivered to the provider owned fueling stations. The price is based on estimated delivery of 1.62 million gallons annually to Metro Mobility's core providers: Transit Team and First Transit.

The Council solicited sealed bids for a gasoline supply contract for a two-year term with an option to extend the term for up to an additional year. Bids were solicited for a fixed per-gallon price, which, when added to the daily Oil Price Information Service price index for gasoline, will be the Council's total per-gallon cost.

### Rationale

Five bids were received. Mansfield Oil Company submitted the low bid with an estimated two- year cost of \$9,661,275. The bid prices were very competitive; all five bids were within .01% of each other, ranging from \$9,661,275.00 to \$9,767,550.00. Actual expenditures will be determined by the Oil Price Information Service price index for gasoline, which will fluctuate daily over the contract term to reflect petroleum market prices.

**Funding**

Funding is available in the Metro Mobility annual operating budget.

**Known Support / Opposition**

No known opposition.