

Transportation Committee

Meeting date: April 27, 2015

For the Metropolitan Council meeting of May 13, 2015

Subject: Authorization to Award Metro Mobility Fuel Contract to Mansfield Oil Company

District(s), Member(s): All

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

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Division/Department: Metropolitan Transportation Services (MTS) – Metro Mobility

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a contract with Mansfield Oil Company to supply gasoline for Metro Mobility Demand and Agency contracts for a two-year term from June 1, 2015 through May 31, 2017 with an option for an additional one-year extension in an amount not to exceed \$15,226,214.

Background

As of June 2015, Metro Mobility's core contractors will have 447 gasoline powered vehicles in service. Fuel to operate these vehicles is purchased by the Council through a contracted supplier and delivered to the Metro Mobility contractor's fueling stations. The price is based on estimated delivery of 2.5 million gallons annually to Metro Mobility's contractors.

The Council solicited sealed bids for a gasoline supply contract for a two-year term. 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

The Council received four bids. Mansfield Oil Company submitted the low bid with an estimated two-year cost of \$8,790,093.92. Mansfield Oil Company's bid price per gallon is \$0.0478 cents below the average daily Oil Price Information Service price index. The bids ranged from \$8,790,093.92 to \$8,891,049.48. Actual expenditures will fluctuate over the term of the contract based on the Oil Price Information Service price index for gasoline.

Funding

Funding is available in the Metro Mobility annual operating budget.

Known Support / Opposition

No Know Opposition