

Transportation Committee

Meeting date: May 22, 2017

For the Metropolitan Council meeting of June 14, 2017

Subject: Metro Mobility Gasoline Supplier Contract

District(s), Member(s): All

Policy/Legal Reference: Council Policy 3-3 Expenditures-Procurement of Goods and Services over \$500,000

Staff Prepared/Presented: Nick Thompson, Director MTS (651)602-1754
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Division/Department: Metropolitan Transportation Services / Metro Mobility

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute a contract with Western Petroleum to supply gasoline in accordance with Council specifications in an amount not to exceed \$23,258,727 for a three-year term.

Background

Metro Mobility has 528 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 3.2 million gallons annually to Metro Mobility's contractors; Transit Team and First Transit.

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 cost per-gallon.

Rationale

4 bids were received, Western Petroleum submitted the low bid with an estimated three-year cost of \$15,772,582. The remaining 3 bids were competitive, ranging from \$15,846M to \$16,338M. 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.

Thrive Lens Analysis

This purchase will continue to provide a viable transportation alternative for persons with disabilities. (sustainability) and enhances the quality of life in the region by allowing freedom and flexibility to carry out their lives (livability).

Funding

Funding is available in the Metro Mobility annual operating budget.

Known Support / Opposition

No known opposition.