

Legislation Details (With Text)

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On agenda: 7/22/2019 **Final action:** 7/22/2019
Title: Fire Emergency and Transportation Fuel

Attachments:

Date	Ver.	Action By	Action	Result
7/22/2019	1	City Council Business Meeting	Approve	Pass

Fire Emergency and Transportation Fuel

Action:

- A. Approve the purchase of emergency and transportation fuel by the gas, fuel, and oil exception,**
- B. Approve a contract with Jacobus Energy LLC for the purchase of emergency and transportation fuel for the term of three years, and**
- C. Authorize the City Manager to renew the contract for up to two, one-year terms with possible price adjustments and to amend the contract consistent with the purpose for which the contract was approved.**

Staff Resource(s):

Reginald Johnson, Fire
 Cynthia Bonham, Fire
 Damian Owens, Fire

Gas, Fuel, and Oil Exception

- G.S. 143-129(e)(5) states the purchase of gasoline, diesel fuel, alcohol fuel, motor oil, fuel oil, or natural gas are not subject to the formal bidding requirements.
- These purchases are subject to the informal bidding procedures of G.S. 143-131.

Explanation

- The city contracts to maintain fuel tanks at Charlotte Fire Department locations, which require fuel delivery on an as needed basis.
- To assure continuous fuel delivery in the event of an emergency or natural disaster, the city contracts with a supplier that procures its fuel from outside of the Charlotte distribution system.
- The fuel supplier must provide above ground fuel tanks and an electronic fuel tank monitoring system free of charge.
- In the event of extended emergency conditions, the volume of fuel required along with priority needs necessitate having a vendor that is equipped to supply larger deliveries and ensure that the city remains a first priority during product and service interruptions.
- On May 28, 2019, the city issued an informal Request for Quotes; three quotes were received.
- Jacobus Energy LLC was selected as the lowest responsive, responsible bidder.
- In the event of an emergency, Jacobus Energy LLC may also be used by other city departments under this contract.
- Annual expenditures for this contract are estimated to be \$1,000,000.

Charlotte Business INclusion

This contract is being purchased off of an existing State contract and is exempt (Part A: Appendix 1.27 of the Charlotte Business INclusion Policy).

Fiscal Note

Funding: Fire Department Operating Budget