



Hallandale Beach
PROGRESS. INNOVATION. OPPORTUNITY.

400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	October 4, 2017		Item Type: <i>(Enter X in box)</i>	Resolution x	Ordinance	Other
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1st Reading		2nd Reading
	x		Public Hearing: <i>(Enter X in box)</i>	Yes	No x	Yes
Funding Source:	001-141300 INVENTORY OF SUPPLIES/Unleaded Fuel		Advertising Requirement: <i>(Enter X in box)</i>	Yes		No
	001-141400 INVENTORY OF SUPPLIES/Diesel					x
Account Balance:	FY17/18 Budget Request:		Quasi Judicial: <i>(Enter X in box)</i>	Yes		No
	Diesel Fuel: \$121,290 (Obj. 552140) Unleaded Fuel: <u>\$353,860</u> (Obj. 552150) \$475,150					
Project Number :			RFP/RFQ/Bid Number:	RFP # E-13-17 (Pompano Beach serving as lead agency for Co-op)		
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Strategic Plan Priority Area: <i>(Enter X in box)</i> Safety <input type="checkbox"/> Quality <input checked="" type="checkbox"/> Vibrant Appeal <input type="checkbox"/>			
	x					
Sponsor Name:	Roger M. Carlton, City Manager		Department: Public Works	Steven F. Parkinson, P.E., PWLF, Assistant City Manager/Public Works Director		

Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO UTILIZE THE CITY OF POMPAÑO BEACH RFP E-13-17 FOR THE SOUTHEAST FLORIDA GOVERNMENTAL PURCHASING COOPERATIVE GROUP CONTRACT WITH PORT CONSOLIDATED, INC. TO PROCURE UNLEADED GASOLINE AND DIESEL

FUEL IN AN AMOUNT NOT TO EXCEED FOUR HUNDRED AND SEVENTY-FIVE THOUSAND AND ONE HUNDRED FIFTY DOLLARS (\$475,150) AS BUDGETED FOR IN FISCAL YEAR FY2017-2018; AUTHORIZING THE CITY MANAGER TO EXECUTE ALL RELATED DOCUMENTS TO EFFECTUATE THE PROJECT AS NEEDED; AND PROVIDING FOR AN EFFECTIVE DATE.

Staff Summary:

Background:

The City of Hallandale Beach is a Participating Agency in the Southeast Florida Governmental Purchasing Cooperative (Co-Op). The Co-Op is comprised of governmental entities from Broward, Dade and Palm Beach Counties. The City participates in the Co-Op in order to take advantage of cost savings that a city of our size would otherwise be unable to realize.

The Department of Public Works - Fleet Maintenance Division, is responsible for servicing and providing fuel for all City vehicles in the Fire, Police, Code Compliance, Parks and Recreation, Human Services and Public Works Departments. Public Works also is responsible for tracking and ordering, when necessary, the diesel and unleaded fuel inventory for all of the City generators, all lift stations and the underground tanks located at the Department of Public Works Compound.

The City of Hallandale Beach has utilized Co-op contract RFP # 14-A-035, through the Southeast Florida lead agency (the City of Coral Springs), to purchase diesel fuel and unleaded gasoline since July 1, 2014 from MacMillan Oil Co. of Florida, Inc (Exhibit 2). This contract expired March 31, 2017.

In order to ensure purchasing continuity once the previous contract expired, the City of Pompano Beach, acting as the lead agency for the approximately 39 other agencies participating in this Co-Op contract, released RFP # E-13-17, Unleaded Gasoline and Diesel Fuel for the Southeast Florida Governmental Purchasing Cooperative Group, on December 20, 2016. The RFP closed on January 20, 2017. The evaluation committee shortlisted Mansfield Oil, MacMillan Oil and Port Consolidated, Inc. for oral presentations.

Pompano Beach approved the Ordinance awarding RFP # E-13-17 to Port Consolidated, Inc. on 1st Reading (February 28, 2017) and on 2nd Reading (March 14, 2017) for the purchase of diesel fuel and unleaded gasoline. The term of the contract is for three years and includes the option to renew the contract with one additional two year term (Exhibit 3 – RFP and Signed Agreement). The City of Hallandale Beach City Commission authorized use of this contract via Resolution No. 2017-33 during the March 15, 2017 City Commission Meeting (Exhibit 4).

Current Situation and Fiscal Impact:

The Public Works Department plans to utilize the Co-op's RFP # E-13-17 awarded to Port Consolidated, Inc., to purchase fuel in an amount exceeding \$50,000 during FY17/18. Accordingly, staff is bringing forth this agenda item for City Commission consideration.

The City's expenditure breakdown for the last three fiscal years is as follows:

FY17/18 (Budgeted): \$475,150
FY16/17 (As of 8-31-17): \$401,352
FY15/16: \$405,153

It is important to note that FY15/16 and FY16/17 expenditures to date are less than what is being requested in the FY17/18 budget. This is largely due to the fact that fuel prices are projected to increase during FY17/18. Fuel prices are volatile, as seen in the two recent hurricanes which impacted both supply and demand, and staff believes that it is best to budget for fuel based upon long term pricing trends, rather than based upon a short-term price fluctuation. Therefore, funds budgeted for FY17/18 provide for a higher level of funding than was actually utilized in FY16/17 to prepare for potential fuel price increases.

Accordingly, staff has budgeted \$475,150 for the purchase of fuel in FY17/18, which is about \$70,000 more than is expected to be spent in the current fiscal year.

Why Action is Necessary:

Pursuant to Chapter 23, Section 23-9 Cooperative Purchasing, the City Manager is authorized to procure all supplies, materials, equipment and services from other governmental units, when the best interests of the City would be served subject to the requirement that any purchase in excess of \$50,000 requires City Commission approval.

Proposed Action:

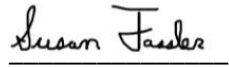
Staff recommends approval of the attached Resolution authorizing the City Manager to purchase diesel fuel and unleaded gasoline from Port Consolidated, Inc. in an amount not to exceed the budgeted amount for fuel purchases (\$475,150) during FY17/18, through the Southeast Florida Governmental Purchasing Cooperative Group, RFP # E-13-17.

Attachment(s):

Exhibit 1 – Resolution
Exhibit 2 – Resolution 2016-151
Exhibit 3 – RFP # E-13-17 and Executed Contract

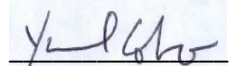
Exhibit 4 – Resolution No. 2017-33

Prepared by:

A handwritten signature in cursive script, appearing to read "Susan Fassler", written in black ink on a white background.

Susan Fassler

Approved By:

A handwritten signature in cursive script, appearing to read "Yamil Lobo", written in black ink on a white background.

Yamil Lobo, Fleet Administrator