

## ACTION FORM BRYAN CITY COUNCIL

<b>DATE OF COUNCIL MEETING:</b> November 12, 2013		<b>DATE SUBMITTED:</b> October 18, 2013																															
<b>DEPARTMENT OF ORIGIN:</b> Water Services		<b>SUBMITTED BY:</b> M. Jurica																															
<b>MEETING TYPE:</b>	<b>CLASSIFICATION:</b>	<b>ORDINANCE:</b>	<b>STRATEGIC INITIATIVE:</b>																														
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input checked="" type="checkbox"/> PUBLIC SAFETY																														
<input type="checkbox"/> SPECIAL	<input checked="" type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input checked="" type="checkbox"/> SERVICE																														
<input checked="" type="checkbox"/> REGULAR	<input type="checkbox"/> STATUTORY		<input checked="" type="checkbox"/> ECONOMIC DEVELOP.																														
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input checked="" type="checkbox"/> INFRASTRUCTURE																														
			<input type="checkbox"/> QUALITY OF LIFE																														
<b>AGENDA ITEM DESCRIPTION:</b> Consider approving a final extension to a price agreement with Brenco Marketing, Corp. for diesel and unleaded fuel to be used in all City of Bryan and BTU vehicles based upon Brenco Marketing's response to Request for Bid (Invitation to Bid #09-0026) issued jointly with and hosted by Texas A&M University.																																	
<b>SUMMARY STATEMENT:</b> In July 2009, Texas A&M University hosted a cooperate bid together with the City of Bryan, City of College Station, Brazos County, Bryan ISD, and College Station ISD for diesel and unleaded fuel. Four (4) bids were received with the best value submitted by Brenco Marketing, Corp. of Bryan, Texas. A total of five (5) twelve month periods (initial twelve month period and four (4) twelve month extensions) is allotted in the price agreement. This request focuses on approval for the fourth and final extension. Historical use for the City and BTU under the joint-issued price agreement with Brenco Marketing is below:																																	
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;">Diesel</th> <th colspan="2" style="text-align: center;">Unleaded</th> </tr> <tr> <th></th> <th style="text-align: center;">Expense</th> <th style="text-align: center;">Gallons</th> <th style="text-align: center;">Expense</th> <th style="text-align: center;">Gallons</th> </tr> </thead> <tbody> <tr> <td><b>9/1/09 – 8/31/10</b></td> <td style="text-align: right;">\$590,283.95</td> <td style="text-align: right;">252,785</td> <td style="text-align: right;">\$555,388.83</td> <td style="text-align: right;">243,831</td> </tr> <tr> <td><b>9/1/10 – 8/31/11</b></td> <td style="text-align: right;">\$809,782.38</td> <td style="text-align: right;">262,605</td> <td style="text-align: right;">\$744,304.57</td> <td style="text-align: right;">260,220</td> </tr> <tr> <td><b>9/1/11 – 8/31/12</b></td> <td style="text-align: right;">\$937,872.57</td> <td style="text-align: right;">282,622</td> <td style="text-align: right;">\$769,628.49</td> <td style="text-align: right;">251,473</td> </tr> <tr> <td><b>9/1/12 – 8/31/13</b></td> <td style="text-align: right;">\$1,008,516.66</td> <td style="text-align: right;">284,621</td> <td style="text-align: right;">\$789,126.99</td> <td style="text-align: right;">259,640</td> </tr> </tbody> </table>					Diesel		Unleaded			Expense	Gallons	Expense	Gallons	<b>9/1/09 – 8/31/10</b>	\$590,283.95	252,785	\$555,388.83	243,831	<b>9/1/10 – 8/31/11</b>	\$809,782.38	262,605	\$744,304.57	260,220	<b>9/1/11 – 8/31/12</b>	\$937,872.57	282,622	\$769,628.49	251,473	<b>9/1/12 – 8/31/13</b>	\$1,008,516.66	284,621	\$789,126.99	259,640
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<p>Services provided under this price agreement satisfy fuel needs for the City and BTU. Oil Price Information Service (OPIS) is the most widely accepted fuel pricing index for supply contracts and competitive pricing. The OPIS index provides the baseline fuel price per gallon at the time product is loaded into the transport truck from the fuel rack. The total cost per gallon is determined by adding the bid price for profit and delivery to the base price per gallon as reported by OPIS on the date the fuel is delivered.</p> <p>Example:</p> <p>Gasoline, Unleaded, 87 Octane, Full Truck Volume (7,000 gallons)</p> <p>OPIS (price \$/gallon as of 10/09/13) = 2.5365 (this figure will fluctuate daily)</p> <p><b>Brenco Profit (\$/gallon) = 0.0210 (this figure remains constant)</b></p> <p>Total Unit Price = 2.5575 (this figure will fluctuate daily)</p>																																	
<b>STAFF ANALYSIS AND RECOMMENDATION:</b> Water Services respectfully request the City Council approve the final extension of the price agreement with Brenco Marking, Corp. for delivered fuel. Brenco Marking is a local vendor and offers the advantage of proximity for deliveries and a past history of good performance not only with the																																	

City of Bryan, but with all participating entities. This price agreement offers the best value to the City of Bryan for delivered fuel. Continuity of the City's fuel system is ensured by extending service with Brenco Marking.

**OPTIONS (In Suggested Order of Staff Preference):**

1. Approve the price agreement with Brenco Marketing, Corp.
2. Do not approve the price agreement and provide additional guidance to staff.

**ATTACHMENTS:** (both documents are part of a pdf)

1. Texas A&M University Master Order #C3200207.
2. Bid Tab No. 09-0026

**FUNDING SOURCE:** Multiple City accounts (General Fund and Enterprise Fund)

**APPROVALS:** Jayson E. Barfknecht 10/18/13; Hugh R. Walker, 10/28/2013

**APPROVED FOR SUBMITTAL: CITY MANAGER** Kean Register, 10/28/2013

**APPROVED FOR SUBMITTAL: CITY ATTORNEY** Janis K. Hampton, 11/04/2013

Revised 04/2013