



# Pinellas County

## Staff Report

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File #: 22-0534D, Version: 1

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### **Subject:**

First Amendment to the Agreement with Pro Energy LLC for requirements of gasoline and diesel fuel delivery services.

### **Recommended Action:**

Approval and execution by the County Administrator of the First Amendment to the Agreement with Pro Energy LLC for requirements of gasoline and diesel fuel delivery services.

- This is a Tampa Bay Purchasing Cooperative contract, administered by the County, for requirements of tank wagon and transport fuel deliveries on an as needed basis.
- On September 9<sup>th</sup>, 2020, the Board of County Commissioners awarded Pro Energy LLC the contract for transport delivery services in the amount of \$11,167,792.80 and awarded Palmdale Oil Company Inc the contract for tank wagon deliveries in the amount of \$4,311,338.00. The combined contract total for a five-year term is \$15,479,130.80.
- Palmdale Oil Company Inc is experiencing market driven staffing shortages fulfilling tank wagon deliveries. The First Amendment modifies the Agreement with Pro Energy LLC to include tank wagon delivery services as a supplement to the existing services provided by Palmdale Oil Company Inc. This Amendment establishes a supplemental source for tank wagon deliveries critical to ensure County functions remain operational during hurricane season. This amendment increases the contract \$1,851,763.90 based on estimated quantities of tank wagon deliveries
- The County Administrator is authorized to increase estimated and authorized expenditures on any Maintenance, Repair, and Operating Supplies and Services (MRO) contract in an amount not-to-exceed 50 percent of the initial award.

Contract No. 190-0360-B increase in the amount of \$1,851,763.90 for a revised total contract value of \$17,330,894.70 with an estimated average annual expenditure of \$3,466,178.94, effective through December 15<sup>th</sup>, 2025.

### **Strategic Plan:**

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

### **Summary:**

This Tampa Bay Area Purchasing Cooperative contract is for the annual requirements of fuel,

gasoline and diesel deliveries which is administered by the County's Fleet Management Division. Cooperative participants are responsible for issuance of their own awards and purchase authorizations.

The First Amendment will modify the Agreement with Pro Energy Inc to include tank wagon fuel delivery services on an as needed basis. These services will be used to supplement the current tank wagon services being performed by Palmdale Oil Company Inc. An additional source for tank wagon deliveries is necessary as Palmdale Oil Company Inc is experiencing market driven staffing shortages and these services are important to maintain during hurricane season.

**Background/Explanation:**

This contract was initially awarded by the Board of County Commissioners in the amount of \$15,479,130.80 on September 9, 2020.

**Fiscal Impact:**

Approved expenditure to date: \$15,479,130.80

Increase in expenditure not-to-exceed: \$1,851,763.90

Revised expenditure not-to-exceed: \$17,330,894.70

Funding is derived from Fleet Management's operating budget.

This contract is consistent with the FY22 Adopted Budget and the preliminary FY23 budget submission from the department. No additional impact to the budget or budget amendments are expected from First Amendment.

**Delegated Authority:**

Authority for the County Administrator to approve this Amendment is granted under Code Section 2-184(b).

**Staff Member Responsible:**

Don Moore, Division Manager, Fleet Management, Administrative Services

Joe Lauro, Director, Department of Administrative Services

Merry Celeste, Division Director, Purchasing and Risk Management Division, Administrative Service

**Partners:**

N/A

**Attachments:**

First Amendment - Contract No. 190-0360-B