



## Takoma Park City Council Meeting – April 27, 2022 Agenda Item 6

### **Work Session**

Awarding a Contract for Purchase of Diesel Fuel

### **Recommended Council Action**

Authorize the City Manager to execute a contract for purchase of diesel fuel.

### **Context with Key Issues**

The Metropolitan Washington Council of Governments recently coordinated a competitive bid for all area jurisdictions for the purchase of Ultra Low Sulfur Diesel fuel. The bid price represents a price above the OPIS (Oil Price Information Service) Index. The low bidder for tank wagon delivery within Montgomery County is Saratoga Rack Marketing with a price of \$0.4164 above the index.

The City uses about 20,000 gallons of diesel annually. Vehicles using diesel include the trash and recycling trucks, the large dump trucks, leaf vacuums, loader, and skid steer. The City has been using a mix of diesel and soy oil to reduce hydrocarbon emissions. Most of the year it is a 20% soy mix, however in winter months it is reduced to 5% due to the viscosity of the fuel in colder temperatures.

The Department requests approval to enter a one-year contract with four, one-year renewal options.

### **Council Priority**

Fiscally Sustainable Government

### **Environmental Considerations**

The City uses a diesel and soy oil mix to reduce hydrocarbons.

### **Fiscal Considerations**

The cost of fuel has been rising and is somewhat difficult to predict. The FY23 budget includes funding of \$61,000

### **Racial Equity Considerations**

None.

### **Attachments and Links**

Draft Single Reading Ordinance

Introduced by: Councilmember

Single Reading:

**CITY OF TAKOMA PARK, MARYLAND**

**ORDINANCE NO. 2022-**

**CONTRACT FOR DIESEL FUEL**

WHEREAS, the Washington Metropolitan Council of Governments held a reverse auction, competitive bid, for diesel fuel purchases for area jurisdictions; and

WHEREAS, the low bidder for tank wagon delivery in Montgomery County was Saratoga Rack Marketing; and

WHEREAS, the bid award is a one-year contract with options to extend for four additional one-year terms; and

WHEREAS, sufficient funding for purchasing diesel fuel has been allocated in the Public Works Department operating budget.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, THAT:

SECTION 1. The City Manager is authorized to enter into a contract with Saratoga Rack Marketing for diesel fuel purchase and delivery.

SECTION 2. This Ordinance shall become effective upon adoption.

ADOPTED this \_\_\_\_\_ day of May, 2022 by roll-call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: