

★ Roll Call Number

11-1379

Agenda Item Number

35A

Date August 8, 2011

WHEREAS, the Fleet Maintenance Division of the City Manager's Office requested the Finance Department Procurement Division to solicit bids for an annual contract with two (2) additional one year renewal options to furnish fuel products for use by the Equipment Maintenance Center, as well as other city departments; and

WHEREAS, the Procurement Division solicited bids by advertisement and mailing Invitation to Bid V10-106 to ten (10) potential bidders with six (6) bids received; and

WHEREAS, the specifications, patterned after the Iowa Department of Transportation bid specifications, required the bidder to provide a "bid margin" that would include overhead, profit, and delivery charges that would be added to or deleted from the daily average price per gallon of diesel, ethanol, E85 or gasohol as reported to the Iowa Department of Transportation by AXXIS Petroleum, Inc.: and

WHEREAS, the overall low dollar compliant bid was received from Fauser Energy Resources, 106 Center Street, Elgin, IA 552141, at a total annual estimated cost of \$3,189,300.00; and

WHEREAS, the overall second low dollar compliant bid was received from Sapp Brothers Petroleum, 9915 South 148th Street, Omaha, NE 68138, at a total annual estimated cost of \$3,192,505.00; and

WHEREAS, the overall third low dollar compliant bid based on a fixed price per gallon was received from Keck Energy, 501 SW 7th Street, Des Moines, IA 50309, Mark Meyer, President, at a total annual estimated cost of \$3,193,900.00; and

WHEREAS, Municipal Code sections 2-705 and 2-706 allow for preference for local goods and services, wherein preference is given to a responsive bid from a business whose headquarters, or the headquarters of its parent or holding company, is located within the corporate limits over an acceptable low bid submitted by a business located outside of the corporate limits, and the local bidder's bid exceeds the acceptable low bid by no more than one percent; and

WHEREAS, Keck Energy qualifies for the one per cent local preference, and does not exceed the acceptable low bid by more than one per cent, and thereby becomes the low dollar compliant bidder; and

WHEREAS, funding is available from various city wide operating departmental budgets at an annual estimated amount of \$3,500,000.00; and

WHEREAS, the Procurement Administrator and the Fleet Maintenance Manager recommend approval of the overall low dollar bid for fuel products;

NOW THEREFORE BE IT RESOLVED, that the Des Moines City Council hereby accepts and approves the award to Keck Inc. and further authorizes the Procurement Administrator to enter into an annual agreement renewable for two (2) additional twelve (12) month periods.

Approved as to form:



Ann DiDonato
Assistant City Attorney

Moved by  to adopt

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

T. M. Franklin Cownie
Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

Diane Rauh

City Clerk