

Purchasing Summary

EVENT # 5056	TITLE: Oils, Lubricants & Anti-Freeze	COST: \$81,041.97
TYPE OF PROCUREMENT: Bid	ANNUAL CONTRACT <input checked="" type="checkbox"/> ANNUAL MAINTENANCE AGREEMENT <input type="checkbox"/>	ONE TIME PURCHASE <input type="checkbox"/>
CONTRACT TERM (IF APPLICABLE) July 5, 2018 - July 4, 2019		
M/WBE (IF APPLICABLE) N/A		
MATRIX (IF APPLICABLE) N/A		

NOTES

Recommend approval to renew an annual contract for oils, lubricants, and anti-freeze to Colonial Fuel & Lubricant Services in the amount of \$53,729.50 and to Barrett Oil Distributors in the amount of \$27,312.47 for a total contract amount of \$81,041.97. The oils, lubricants, and anti-freeze will be used by the Fleet Services Department and other City departments to provide routine preventive maintenance for City vehicles and other equipment. Several items are maintained in inventory at the Central Warehouse; others are in inventory at the Fleet Services Department. Vendors were asked to provide alternate pricing for environmentally friendly oils for seven items on this event; however, the award is recommended for only one of the products or the other, not both.

The low bidder was selected for all items except for one. The apparent low bidder proposed a 50/50 blend of anti-freeze for trucks; however, specifications require a full force anti-freeze.

For this renewal period, both vendors are requesting an increase. This increase is driven primarily by industry wide escalations in base oil, additives cost, and raw materials. Colonial Fuel & Lubricant is requesting a 15% increase which comes to a total amount of \$53,729.50. Barrett Oil Distributors is requesting a 12.2% increase which comes to a total amount of \$27,312.47. The new total contract amount is \$81,041.87. All the major suppliers of oils and lubricants (Chevron, Exxon, Citgo, etc.) notified Colonial Fuel and Barrett Oil of this increase. In turn, Colonial Fuel & Lubricant Services and Barrett Oil Distributors notified the City of Savannah of the scheduled increase for the renewal period. Such an increase is allowed based on the terms and conditions of this contract, specifically Section 4.19, which states that “[d]ue to historical price volatility, this contract allows for changes on a quarterly basis.”

Responses to this event were received on May 2, 2017. Council originally approved this contract on June 22, 2017 in the amount of \$68,410.28. On February 1, 2018, Council awarded an annual contract modification to Colonial Fuel & Lubricant Services due to industry-wide price increases on oils and lubricants. A 6% increase of \$2,644.60 brought the contract total for Colonial Fuel & Lubricant Services to \$46,721.30, and the total contract amount to \$71,054.88. This is the first of three renewals available. The bidders were:

L.B. Barrett Oil Distributors (Savannah, GA) ^(B)	\$ 64,998.05 *
L.B. Colonial Fuel and Lubricant Services, Inc. (Chatham County, GA) ^(D)	\$ 71,134.97
O’Reilly Automotive Stores Inc. (Springfield, MO) ^(D)	\$ 36,314.05 *
JustSynthetic (Bloomington, GA) ^(D)	\$ 208,082.63

A pre-bid conference was not conducted as this is an annual contract renewal. (B) Indicates local, non-minority owned business. (D) Indicates non-local, non-minority owned business. (*) Indicates partial bid. Recommend approval.

Local Available: Yes

MWBE Available: Yes

Total Solicitations: 122

MWBE Solicitations: 6

Total Responses: 4

MWBE Responses: 0

Vendor Federally Debarred/Suspended: No