

Purchasing Summary

EVENT # 5056	TITLE: Oils, Lubricants, and Anti-Freeze	ESTIMATED COST: \$107,475.65
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) September 12, 2019 through December 31, 2020		
S/DBE (IF APPLICABLE) N/A		
MATRIX (IF APPLICABLE) N/A		

NOTES

Recommend approval to renew an annual contract for oils, lubricants and anti-freeze with Colonial Oil in the estimated amount of \$70,468.12 and with Barrett Oil Distributors in the estimated amount of \$37,007.53 for a total contract amount of \$107,475.65. 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.

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 5% increase which comes to a total amount of \$56,374.50 annually. Barrett Oil Distributors is requesting an 8% increase which comes to a total amount of \$29,606.03 annually. The new contract will be for 15 months totaling \$107,475.65. 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 "due 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. This is the last 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.

The contract term will be from September 12, 2019 through December 31, 2020. The fiscal impact is as follows:
FY 2019 - \$21,495.12 and FY 2020 - \$85,980.53 for a total contract amount of \$107,475.65.

Local Available: Yes
MWBE Available: Yes
Total Solicitations: 122
MWBE Solicitations: 6
Total Responses: 4

MWBE Responses: 0

Vendor Federally Debarred/Suspended: No