



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/17/2019

ALL

Item Creation Date: 9/4/2019

E29164 – Fuel, Unleaded Gasoline (SUNOCO, LLC) – ORDINANCE

Agenda Item#: 76.

Background:

S63-E29164 – Approve an ordinance authorizing an agreement between the City of Houston and Sunoco, LLC for fuel, unleaded gasoline through an interlocal purchase with the Metropolitan Transit Authority of Harris County, Texas in the maximum contract amount not to exceed \$84,395,041.00 for the Fleet Management Department

Specific Explanation:

The Director of the Fleet Management Department and the Chief Procurement Officer recommend that City Council approve an ordinance authorizing an agreement between the City of Houston and **Sunoco, LLC** for a **three (3) year initial term with two (2) one-year options** for the purchase of fuel, unleaded gasoline through an interlocal agreement with the Metropolitan Transit Authority's (METRO) existing contract with Sunoco, LLC in the maximum contract amount not to exceed **\$84,395,041.00** for the Fleet Management Department.

The scope of work requires Sunoco, LLC to provide all supervision, labor, parts, tools, equipment permits, insurance, including all applicable hazardous material and fuel certifications promulgated by state and federal regulations, and fueling terminal access necessary to supply, as ordered, unleaded gasoline fuel to support the City's daily fleet operations. The scope of services also guarantees the City fuel access during a hurricane or similar force majeure event. The fuel order will be picked up by the City's fuel transportation services contractor from Sunoco, LLC fuel loading terminals in Pasadena and transported to various fuel storage facilities and satellite sites throughout the City of Houston. The Department's estimated volume for unleaded gasoline fuel is 36,167,768 gallons, which includes hurricane and force majeure related contingencies.

This recommendation is made pursuant to Section 791.025(a) of the Texas Government Code, which provides an exemption for Interlocal Cooperation Contracts for "A local government, including a council of governments, may agree with another local government or with the state or a state agency, including the comptroller, to purchase goods and services".

M/WBE Subcontracting:

M/WBE Zero Percentage Goal document approved by the Office of Business Opportunity.

Hire Houston First:

This procurement is exempt from the City's Hire Houston Ordinance. Bids/proposals were not solicited because the department is utilizing an Interlocal Purchasing Agreement for this purchase.

Fiscal Note:

Funding for this item is included in the FY 2020 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

9/7/2019

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Jerry Adams
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Victor Ayres
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9/7/2019

**Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division**

Department Approval Authority

Estimated Spending Authority:

Department	FY 2020	Out Years	Total
Fleet Management Department	\$12,119,679.00	\$72,275,362.00	\$84,395,041.00

Amount of Funding:

\$84,395,041.00

Fleet Management Fund

Fund No.: 1005

Contact Information:

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ATTACHMENTS:

Description	Type
OBO Waiver	Backup Material
Form A - Campaign Finance Ordinance	Backup Material
Form B - Campaign Finance Ordinance	Backup Material
Affidavit of Ownership	Backup Material
Funding	Financial Information
COH - Agreement - Sunoco	Backup Material
Metro Agreement	Backup Material