



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/24/2019

ALL

Item Creation Date:

S28756 - Aviation Gasoline and Turbine Fuel - MOTION

Agenda Item#:

### **Background:**

**Formal Bids Received January 31, 2019 for S21-S28756 - Approve an award to Epic Aviation, LLC in the amount not to exceed \$1,327,800.00 for aviation gasoline and turbine fuel 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 award to **Epic Aviation, LLC** on its low responsible bid in the amount not to exceed **\$1,327,800.00** for aviation gasoline and turbine fuel for the Fleet Management Department. It is further requested that authorization be given to make purchases, as needed, for a **thirty-six month period with two (2) one-year options to extend**. This award consists of approximately 30,000 gallons of aviation gasoline and 613,500 gallons of turbine fuel to be used in the helicopters stationed at William P. Hobby Airport.

This project was advertised in accordance with the requirements of the State of Texas bid laws. Five prospective bidders downloaded the solicitation document from SPD's e-bidding website and two bids were received as detailed below:

**Epic Aviation, LLC:** Award on its low responsible bid for Group I, Line Item No. 1 (aviation gasoline 2,500 gallon tanks); Group II, Line Item No. 2 (turbine fuel for 6,000 gallon tanks); and Group III, Line Item No. 4 (turbine fuel for 4,500 gallon tanks) in the amount not to exceed **\$1,327,800.00**.

<u>Company</u>	<u>Total Amount</u>
1. Atlantic Petroleum & Mineral Resources	\$1,313,580.00 (Non-Responsible)
2. <b>Epic Aviation, LLC</b>	<b>\$1,327,800.00</b>

Atlantic Petroleum & Mineral Resources (Atlantic) submitted a bid response for this procurement; however, they have been declared non-responsible by the City of Houston. Specifically, Atlantic was awarded a contract for fuel transportation services on September 20, 2017. Since inception of the contract, they have proven to be unsafe and unreliable. Additionally, the company fails to follow instructions or correct deficiencies. An administrative hearing was held to provide the company with an opportunity to present evidence that would affect the recommendation to hold it non-responsible; however, the services did not improve. On July 25, 2019 a Notice of Termination for Convenience was submitted to the company effectively terminating the contract on August 24, 2019.

### **MWBE Participation:**

This bid was issued with a 3.44% goal for M/WBE participation. **Epic Aviation, LLC** submitted Good Faith Efforts requests to the Office of Business Opportunity, which were approved. Therefore, they will not be required to meet the 3.44% goal.


### **Hire Houston First:**

This award requires compliance with the City's Hire Houston First (HHF) ordinance which promotes economic opportunity for Houston businesses and supports job creation. While Atlantic Petroleum & Mineral Resources is HHF designated, they were declared non-responsible for this procurement. Therefore, the HHF preferences was not applied to the award to **Epic Aviation, LLC**.

### **Fiscal Note:**

Funding for this item is included in the FY20 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

9/16/2019

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Jerry Adams, Chief Procurement Officer  
 Finance/Strategic Procurement Division

Department Approval Authority

<b>Estimated Spending Authority</b>			
<b>DEPARTMENT</b>	<b>FY2020</b>	<b>OUT YEARS</b>	<b>TOTAL</b>
Fleet Management Department	\$243,430.00	\$1,084,370.00	\$1,327,800.00

**Amount of Funding:**

**\$1,327,800.00**

Fleet Management Fund

Fund No.: 1005

**Contact Information:**

Desiree Heath SPD 832-393-8742

Marchelle Cain FMD 832-393-6910

**ATTACHMENTS:**

**Description**

S28756 Good Faith Efforts Approved for Zero-Percent

S28756 Bid Tab

S28756 Fair Campaign

S28756 Form B

S28756 Budget Form A (COF)

S28756 - Tax Report

S28756 - Atlantic Termination Letter

Signed cover sheet

**Type**

Backup Material

Backup Material

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Backup Material

Financial Information

Backup Material

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Signed Cover sheet