

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 4:30 pm, Wednesday, prior to the Board Agenda distribution.



To: Scott R. Niehaus, Village Manager

Through: Carl S. Goldsmith, Director of Public Works *g*

From: Tom Ellis, Operations Superintendent *TE*

Date: February 19, 2024

Subject: Joint Purchasing of Fuel

Staff is able to secure better fuel pricing by joint purchasing fuel through the DuPage County joint purchase fuel contract. Joint purchasing has proven to be a reliable way of supplying the Village with fuel at the lowest cost.

Since the cost of a load of fuel may exceed the Village's statutory purchase limit as specified in the purchasing manual (\$25,000) staff needs to establish approval from the board to continue to buy fuel using a joint purchase contract. These joint purchase contracts establish a fixed delivery fee and are renewed or re-bid annually. The specifications used in the preparation of the sealed bids are based on the OPIS (Oil Price Information Service) prices, which are the benchmark prices used by the world to buy and sell U.S. gasoline, diesel, ethanol, bio-diesel, LP-gas, jet fuel, crude, propane and kerosene.

The lowest bid price for joint fuel purchasing (DuPage County bid #23-011-FM) was Al Warren Oil Co. Inc. of Hammond, IN. The price for gasoline is the low rack average daily OPIS price plus (0.045) per gallon for delivery. The price for diesel is the low rack average daily OPIS price plus (0.045) per gallon for delivery. It is therefore the recommendation of staff that fuel be purchased from Al Warren Oil Co. Inc. in accordance with the DuPage County joint purchase contract for the length of the contract starting April 1, 2024 and ending March 31, 2025.

I recommend the B.O.T. waive bid and award a contract to Al Warren Oil Co. Inc. of Hammond, IN to supply gasoline and diesel fuel to the Village of Lombard as specified in the DuPage County joint purchase fuel contract. Please submit this item to the Village Board for their consideration at the March 7, 2024 meeting.

VILLAGE OF LOMBARD
255 E. Wilson Ave.
Lombard, Illinois 60148-3926
(630) 620-5700 Fax (630) 620-8222
www.villageoflombard.org

February 6, 2024

Mr. Arnie Berg
Al Warren Oil Co. Inc
1646 Summer St.
Hammond, IN. 46320

RE: Bulk Fuel Contract Extension

Dear Mr. Berg:

The Village of Lombard's current fuel contract with AL Warren Oil Co. Inc. expires March 31, 2024. We have valued the commitment and excellent service Al Warren Oil Co. has provided the village this past year. The Village would prefer to exercise the option of extending the current Fuel Contract, effective from April 1, 2024 at 12:01 a.m. until 12:00 midnight, March 31, 2025 under the same terms, conditions, and unit pricing as specified in your Bid#23-011 FM DOT bid proposal.

Should you agree with this request, please sign and seal your acceptance of the above conditions and contract and return two (2) original documents for our records.

Accepted this 6th day of February, 2024
Individual or Partnership Corporation .

Arnie Berg
By

Business Development Mgr.
Position/Title

By

Position/Title

Al Warren Oil Co Inc.

Sincerely,

Tom Ellis

Tom Ellis
Operations Superintendent