

# **City of Scottsbluff, Nebraska**

**Monday, March 1, 2021**

**Regular Meeting**

## **Item Bids1**

**Council to discuss and consider action on the Agreement with Essential Fuels for the Fueling Card System for the City of Scottsbluff.**

**Staff Contact: Mark Bohl, Public Works Director**

# Agenda Statement

Item No.

For Meeting of: March 1, 2021

**AGENDA TITLE:** Consideration and approval of Fueling Card System for the City of Scottsbluff.

**SUBMITTED BY:** Mark Bohl, Director of Public Works

**PRESENTATION BY:** Mark Bohl, Director of Public Works

**SUMMARY EXPLANATION:** RFP's for the fueling card system were received until 11:00 A.M., February 19, 2021. Essential Fuels was the only vendor submitting a bid proposal. Essential Fuels has a \$.10 discount per gallon of fuel for the first 90 days and thereafter will be \$.04 cents off per gallon of fuel, for the city discount. Essential Fuels has a backup generator in case of emergency situations, per our criteria. Need Council approval to sign fuel contract with Essential Fuels for three years. The current fuel contract will expire on March 19, 2021.

**BOARD/COMMISSION RECOMMENDATION:**

**STAFF RECOMMENDATION:** Council approve Essential Fuels as the best supplier for the fueling needs of the City of Scottsbluff for pricing and emergency needs; authorize Mayor to sign agreement with them for a three year period, expiring on March 19, 2024.

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## EXHIBITS

Resolution ☐ Ordinance ☐ Contract ☐ Minutes ☐ Plan/Map ☐

Other (specify) ☒ Bid Sheets, Agreement

Notification List: Yes ☐ No ☐ Further Instructions ☐

**APPROVAL FOR SUBMITTAL:** \_\_\_\_\_

City Manager

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**City of Scottsbluff**

**Tabulation Sheet for Gasoline, Diesel**

**And Other Fuel Purchases**

**Vendor Name:** Essential Fuels

**Vendor Location(s):** 2319 East Overland

Scottsbluff, NE 69361

**Cost of Fuel Cards (100):** \$0.00  
(If any costs)

**Tax Discount Available to City  
(Federal Excise), Per Gallon:**

**Unleaded:** \$0.184

**Diesel:** \$0.244

**Other Fuels:** N/A

**Purchasing Discount from Pump  
Price, Per Gallon:** \$0.04 (\$0.10 per gallon for the first 90 days)

**Description of Billing:** See Attachment

**Emergency Power (Options):** Backup Generator

**Please return by 11:00 A.M., February 19, 2021 to City of Scottsbluff, 2525 Circle  
Drive, Scottsbluff, NE  
ATTN: City Clerk**

## AGREEMENT

This Agreement is entered into between the City of Scottsbluff, Nebraska, a municipal corporation, hereinafter referred to as "City", and Essential Fuels, hereinafter referred to as "Essential Fuels".

In consideration of the mutual promises of the parties, it is agreed as follows:

1. The City of Scottsbluff agrees to use Essential Fuels exclusively for all its fuel needs. In this agreement fuel shall include gasoline, gasohol and diesel. The City further agrees to use Essential Fuel's 24 hour fueling card program for this purpose.

2. Essential Fuels agrees to provide fuel to the City on a 24 hour per day; 7 day per week basis. Essential Fuels will provide approximately 100 fuel cards, at no cost to the City, to be used to operate Essential Fuels 24 hour fueling card program. The fuel cards can be used at the station located at 2319 East Overland, in Scottsbluff, Nebraska, for the purchase of fuel.

3. Essential Fuels agrees to provide all the fuel needs of the City at a discount rate. The cost of the fuel purchased by the City shall be discounted to an amount equal to the Gasoline Federal Tax per gallon, currently .184 cents; and the Diesel Federal Tax per gallon, currently .244 cents. In addition, Essential Fuels agrees to provide the City fuel at a discount of .10 cents per gallon off the cash pump price for the first 90 days and .04 cents per gallon off the cash pump price thereafter.

4. Both parties acknowledge the importance of the City being able to access its fuel supply in times of an emergency. In the event of an emergency and power is lost a backup generator will be in use for refueling vehicles/generators in need at Essential Fuels. The City agrees to use the above referenced option only in emergency situations. Emergency situations shall be determined by the City in its sole discretion.

5. The term of this Agreement shall be for three (3) years from March 19, 2021. If either party shall violate any of the obligations or duties imposed on it by this Agreement, then the other party shall have the right to terminate this Agreement, provided the party desiring to terminate shall give the other party at least 15 days written notice, specifying the particulars it is claimed to have been violated. If, at the end of 15 days, the party notified has not remedied the violation, then this Agreement shall be deemed terminated.

DATED: March \_\_\_\_\_, 2021

CITY OF SCOTTSBLUFF, NEBRASKA,  
A Municipal Corporation,

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

ESSENTIAL FUELS

By \_\_\_\_\_

Title: \_\_\_\_\_