

A stylized graphic in the background featuring a grey five-pointed star at the top right, with a curved line swooshing upwards from the bottom left towards the star. Two grey trapezoidal shapes are positioned behind the swoosh, one on the left and one on the right.

UNLEADED GASOLINE AND CLEAR DIESEL CONTRACT AWARD

RS-24-021

February 6, 2024

Background

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- ❑ Aviation Department sells unleaded gasoline and clear diesel to Airport tenants. Current contract is with Fikes Wholesale Inc. and expires on March 31, 2024
- ❑ Fuel purchases depend on the tenant's demand for fuel. Historical monthly purchase volume is 3,800 gallons of unleaded gasoline and 400 gallons of clear diesel.

Discussion

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- ❑ Adverting began on December 3, 2023
- ❑ Local Newspaper
- ❑ City Website
- ❑ Multiple Statewide electronic bidding sites
- ❑ Bids were opened on December 21, 2023

Discussion

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- ❑ Two bids received.

Bidder	Bidder Profit per Gallon Unleaded Gasoline	Bidder Profit per Gallon Clear Diesel
Fikes Wholesale Inc.	\$ 0.13	\$ 0.13
Big Chief Distributing	\$ 0.19	\$ 0.24

- ❑ Fuel purchased is based on daily market value.
- ❑ By awarding the contract to Fikes Wholesale Inc., the Airport estimates an annual estimated profit of \$ 9,000 based on historical fuel purchases.

Alternatives

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- ☐ Reject Bid
- ☐ Award Bid to Fikes Wholesale Inc.

Recommendation

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- City Council award a contract with Fikes Wholesale Inc. for the purchase of unleaded gasoline and clear diesel delivered to Killeen Regional Airport; and authorize the City Manager to execute same, and all amendments or supplemental agreements within the amounts set by State and local law.