



# PETROLEUM PRODUCTS AND DIESEL EXHAUST FLUID (DEF)

RS-21-152

November 30, 2021

# Background

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- ❑ October 2018 – Bid 19-02 was awarded to American Lube Supply for petroleum products and Arnold Oil for diesel exhaust fluid (DEF)
- ❑ Initial term was 1 year with option to renew 3 additional years
- ❑ Fleet Services uses petroleum products and DEF daily and the costs are charged to departments when used
- ❑ The cost of the products in FY 2021 was \$60,482
- ❑ During the renewal process, staff was notified that petroleum products would increase 36% and DEF 35%
- ❑ Bid document limited annual increases to 10%, so both items needed to be bid again

# Bid Results

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- ❑ Bid for petroleum products and DEF was advertised September 26 and October 3, 2021
- ❑ October 14, 2021 – 2 bids were opened
- ❑ Lowest bids:
  - ▣ Petroleum products – \$48,582 or 79% increase over current pricing
  - ▣ DEF - \$16,202 or 116% increase over current pricing
  - ▣ Estimated annual cost for both items is \$140,245
- ❑ Last time the items were bid 6 bids were received
- ❑ Continuing to use current vendors, American Lube Supply and Arnold Oil Co. until bidding is finalized

# Alternatives

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- ☐ Accept the lowest bids
- ☐ Reject all bids

# Recommendation

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City Council reject the bids received for Bid #22-05,  
Petroleum Products and DEF