

RESOLUTION NO. 23-098

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AWARDING THE BID OF SUNSHINE GASOLINE DISTRIBUTORS, INC. FOR BULK PURCHASE OF DIESEL AND GASOLINE IN RESPONSE TO INVITATION TO BID (ITB) #23-004 FOR CITY FUEL SUPPLY; AUTHORIZING ANY NECESSARY BUDGET ADJUSTMENTS AND AMENDMENTS; AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT IN SUBSTANTIAL CONFORMANCE WITH THE BID DOCUMENTS, UPON CONSENT OF THE CITY ATTORNEY; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, two bids were opened on March 22, 2023 in response to ITB #23-004, with Sunshine Gasoline Distributors, Inc. submitting the lowest responsive bid; and

WHEREAS, City staff finds the lowest bid to be responsive and responsible, and recommends award of the bid to Sunshine Gasoline Distributors, Inc.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the bid of Sunshine Gasoline Distributors, Inc. is hereby awarded in response to ITB 23-004 for City Fuel Supply.

Section 2: That fuel is budgeted in each department that uses City vehicles, equipment and marine vessels. Additionally, a portion of the fuel is sold through retail fuel sales at the Key West Historic Seaport. Any necessary budget adjustments or amendments are hereby authorized.

Section 3: That the City Manager is hereby authorized to execute a contract in substantial conformance with the bid documents upon consent of the City Attorney.

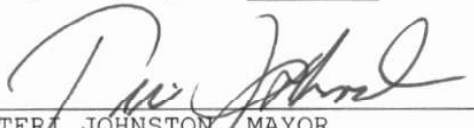
Section 4: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 18th day of April, 2023.

Authenticated by the Presiding Officer and Clerk of the Commission on 19th day of April, 2023.

Filed with the Clerk on April 19, 2023.

Mayor Teri Johnston	<u>Yes</u>
Vice Mayor Sam Kaufman	<u>Yes</u>
Commissioner Lissette Carey	<u>Yes</u>
Commissioner Mary Lou Hoover	<u>Yes</u>
Commissioner Clayton Lopez	<u>Yes</u>
Commissioner Billy Wardlow	<u>Yes</u>
Commissioner Jimmy Weekley	<u>Yes</u>


TERI JOHNSTON, MAYOR

ATTEST:


CHERYL SMITH, CITY CLERK



MEMORANDUM

Date: April 18, 2023

To: Honorable Mayor and Commissioners

Via: Albert P. Childress 
City Manager

From: Marcus Davila
Director of Community Services

Subject: **Awarding the bid of Sunshine Gasoline Distributors, Inc. for the bulk purchase of diesel and gasoline**

Introduction

Awarding the bid of Sunshine Gasoline Distributors, Inc. for the bulk purchase of diesel and gasoline in accordance with the terms specified in ITB #23-004 for a five(5) year contract.

Background

On March 22 the City received 2 bids for ITB 23-004 City Fuel Supply from Sunshine Gasoline Distributors, Inc. and Dion Fuels, LLC. Both firms provided a responsible and responsive bid. Sunshine Gasoline Distributors, Inc. was the lowest bidder. The bid was broadcast on March 3.

The City of Key West purchases bulk diesel and gasoline to provide for all City Vehicles, equipment, marine vessels and retail fuel sales at the Key West Historic Seaport. With the purchase of bulk fuel at a wholesale level, and as a tax-exempt entity, it is advantageous for The City of Key West to continue to purchase bulk fuel versus purchasing from commercial outlets.

City staff compiled bid specifications to include diverse types of fuel for the needs of all City departments. There were two(2) responsible and responsive bidders of which Sunshine Gasoline Distributors, Inc. was consistently the low bidder on all fuel types.

As fuel prices fluctuate, the basis of the bid was the price over the DTN FastRacks average daily price for terminal #6 Miami area (Port Everglades). The spread between the rack rate and the delivered rate was the metric used to qualify the lowest responsive, responsible bidder.

Procurement

Approval of the bid award to Sunshine would allow the City to purchase fuel at a competitive price. All fuel purchases made by the City are budgeted in accounts for the purchasing department.

Recommendation

Staff recommends awarding the bid from Sunshine Gasoline Distributors, Inc. for the bulk purchase of diesel and gasoline for the five(5) year contract.

Attachments:

Bid Memo

ITB 23-004 City Fuel Supply

Addendum 1

Bid-Sunshine Gasoline Distributors, Inc.

Bid- Dion Fuels, LLC

INTEROFFICE MEMORANDUM

To: Michael Turner, Deputy Director, Community Services
CC: Jessica Durocher, Purchasing
From: Cheri Smith, City Clerk 
Date: March 23, 2023
Subject: **ITB 23-004 City Fuel Supply**

The following bids were opened Wednesday, March 22, 2023 at 3:00 p.m. in response to the above referenced project.

1. Sunshine Gasoline Distributors, Inc.
724 S. Flagler Avenue
Homestead, FL 33030

TOTALS

90 Octane: \$-0.1493
No. 2 Ultra Low Sulfur Diesel Dyed: \$-0.0823
87 Octane: \$-0.0240
B-20 Bio Diesel Blended Ultra Low Sulfur: \$-0.0823

2. Dion Fuels LLC
412 S. Flagler Avenue
Homestead, FL 33030

TOTALS

90 Octane: \$0.059
No. 2 Ultra Low Sulfur Diesel Dyed: \$0.069
87 Octane: \$0.059
B-20 Bio Diesel Blended Ultra Low Sulfur: \$0.069