



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Cassey Ogden
DATE: November 19, 2024

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Mansfield Oil Co. of Gainesville, Inc., through the Sourcewell Cooperative Purchasing Network Contract No. 121522-MNF, for Fleet Fuel Cards for citywide use for the Procurement and Fleet Departments; authorizing the expenditure of funds therefor; and providing an effective date (File 8549 – awarded to Mansfield Oil Co. of Gainesville, Inc., for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$1,675,000.00).

INFORMATION/BACKGROUND

The proposed fuel card services contract will be used for the purchase of diesel, premium and regular unleaded fuel, and diesel exhaust fluid. Primarily intended for public safety vehicles, these fuel cards will serve as a secondary fueling option for vehicles assigned to facilities, that are not within close proximity to the City's bulk fuel stations i.e., various fire stations and the Police Substation on Vintage Boulevard. Additionally, fuel cards will be the primary fuel source for seven pursuit vehicles requiring premium fuel not available at the City's bulk fuel stations.

The existing bulk fuel stations are located approximately four miles apart east of downtown and north of Interstate Highway 35 East, limiting close access for vehicles assigned to facilities in the southwest portion of the city. Fleet Services has an active solicitation for an additional bulk fuel station, which will be located at 4201 Vintage Boulevard, Fire Station 7. The addition of the proposed fuel site is estimated to be installed in 2025 and will assist in reducing the use of retail fuel stations.

Additionally, the proposed contract incorporates enhanced reporting and control measures to address recommendations identified by Internal Audit during their 2023 review of the program, specifically comprehensive vehicle data can be maintained within card profiles including basic identification data such as vehicle identification numbers (VIN) and vehicle parameters to allow for appropriate technical restrictions to be placed and monitored on the fuel cards.

The contract not-to-exceed amount is based on historical usage and future projections. It includes an annual estimated expenditure of \$285,000 for approximately 150 vehicles and a \$50,000 contingency. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed. Pricing obtained through Sourcewell Cooperative Purchasing Network has been competitively bid and meets the statutory requirements of Texas Local Government Code 271.102.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On January 28, 2020, City Council approved the interlocal agreement with Sourcewell (Ordinance 20-197).

RECOMMENDATION

Award a contract with Mansfield Oil Co. of Gainesville, Inc., for Fleet Fuel Cards for citywide use for the Procurement and Fleet Departments, in a one (1) year contract, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$1,675,000.

PRINCIPAL PLACE OF BUSINESS

Mansfield Oil Co. of Gainesville, Inc.
Gainesville, GA

ESTIMATED SCHEDULE OF PROJECT

This is an initial one (1) year contract with options to extend the contract for four (4) additional one (1) year periods, with all terms and conditions remaining the same. This Sourcewell contract expires on February 10, 2027.

FISCAL INFORMATION

These products and services will be funded through the using department's budget on an as-needed basis. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: Cooperative Pricing
Exhibit 3: Ordinance

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Lori Hewell, 940-349-7100.

Legal point of contact: Marcella Lunn at 940-349-8333.