

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE ATTACHED ETHANOL-BLEND FUEL SUPPLY AGREEMENT AND ISSUE THE ATTACHED BLANKET PURCHASE ORDER, BETWEEN PROTEC FUEL MANAGEMENT, LLC AND THE CITY OF HOLLYWOOD, AS A BEST INTEREST EXEMPTION, FOR THE RETRO-FITTING OF THE CITY'S CENTRAL FUELING FACILITY TO ACCOMMODATE THE DISPENSING OF THE ENVIRONMENTALLY GREEN, ETHANOL-BASED "E-85" FLEX FUEL AND PURCHASE OF E-85 FLEX-FUEL AT FAVORABLE PRICING, AT AN ESTIMATED ANNUAL E-85 FUEL EXPENDITURE AMOUNT OF \$350,000.00.

WHEREAS, in connection with its various municipal functions, the City requires the utilization of motor fuel for its vehicle fleet, which provides the opportunity for the City to consider more environmentally green fuel alternatives, such as bio-fuel products, to meet the City's Environmental Sustainability and alternative fuel goals; and

WHEREAS, Protec Fuel Management, LLC, (Protec) is a locally-based, nationally operating provider of motor fuel, and through its affiliation with and support of the South Florida Clean Cities Coalition, has offered to supply the E-85 flex fuel and provide funding support in partnership with the United States Department of Agriculture to cover the complete cost for the installation of the fueling dispenser system and supporting infrastructure modifications to facilitate the City's use of E-85 flex fuel for the City's fleet at the City Central Fueling facility located at 1600 South Park Road, which is all more specifically described in the Ethanol-blend Fuel Supply Agreement attached hereto; and

WHEREAS, Protec was awarded the Biofuels Infrastructure Partnership under the Department of Agriculture, an alternative fuel funding program in which they are the only recipient in the State of Florida offering this incentive program; and

WHEREAS, Through this funding initiative, Protec will retro-fit a portion of the City's Central Fuel Facility to accommodate the dispensing of E-85 flex fuel on a conditional no-cost basis to the City, which is a direct savings of \$27,487.95; and

WHEREAS, the attached Agreement stipulates that with the acceptance of the funding allocation, the City make E-85 flex fuel available to its fleet for a minimum term of 5 years, and further, agree to purchase from Protec, on a non-exclusive basis and at favorable contracted pricing, the E-85 flex fuel for the five year term; and

WHEREAS, Protec is offering E-85 fuel pricing that will be at discounted pricing based upon a formula established by reference to the Oil Price Information Service (OPIS) daily average posting for unbranded 87E10 gasoline based upon prevailing market conditions, and the pricing for E-85 flex fuel offered by Protec is currently ranging around .32 cents per gallon less than 87E10 unleaded gasoline; and

WHEREAS, the pricing being offered by Protec is approximately .70 cents less than what is currently being offered under the South East Florida Governmental Purchasing Cooperative Group Contract, which the City is currently utilizing for its fueling needs; and

WHEREAS, during the contract term, should another vendor supply E-85 flex fuel at more favorable pricing, the City may choose to obtain the E-85 flex fuel from the more competitive source; and

WHEREAS, approximately 50% of the City's unleaded fueling quantity is being utilized by E-85 compatible vehicles in the fleet, and by making the E-85 fuel available, the City will significantly and immediately improve its environmental sustainability and alternative fuel goals; and

WHEREAS, Purchasing Ordinance 38.40(C)(8) provides that Purchases of, and contracts for, supplies or contractual services, when the City Commission declares by five-seven (5/7ths) vote that competitive bidding is not in the best interest of the City, are exempt from the competitive bidding process; and

WHEREAS, the Director of Public Works and the Director of Procurement Services have recommended that the City Commission authorize the execution of the attached Ethanol-blend Fuel Agreement and the associated issuance of the attached blanket purchase order to Protec Fuel Management, LLC for the implementation of the fuel dispensing upgrades and for a five (5) year term to supply E-85 fuel for an estimated annual expenditure of \$350,000.00; and

WHEREAS, the discounted price of E-85 flex fuel to be offered by Protec under the proposed Agreement compared to the current price of unleaded fuel is approximately 20 percent less costly, and thus, the utilization of the E-85 flex fuel is not expected to negatively impact the City's current fuel funding allocation; and

WHEREAS, sufficient funding has been established within the City's Internal Service fund for the supply of fuel to its fleet, and the cost to purchase E-85 fuel will be directly offset by the reduction of quantity of the unleaded gasoline purchased, and the cost differential is not expected to impact the budget;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That it hereby approves and authorizes the execution, by the appropriate City Officials, of the attached Ethanol-blend Fuel Agreement between Protec

Fuel Management, LLC and the City of Hollywood, together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legality by the City Attorney.

Section 2: That it hereby approves and authorizes the issuance, by the appropriate City Officials, of the attached blanket purchase order between Protec Fuel Management and the City of Hollywood, together with such non-material changes as may be subsequently agreed to by the City Manager and approved as to form and legality by the City Attorney.

Section 3: That this resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2016.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGALITY
for the use and reliance of the
City of Hollywood, Florida, only.

JEFFREY P. SHEFFEL, CITY ATTORNEY