

STATEMENT OF BUDGET IMPACT
(Policy Number 94-45)
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: November 20, 2018

BIS 19 – 040

FILE: TMP-2018-694

Proposed Legislation:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO CANCEL THE EXISTING AGREEMENT AND ISSUE A NEW BLANKET PURCHASE ORDER TO PROTEC FUEL MANAGEMENT, LLC (PROTEC) FOR THE SUPPLY AND DELIVERY OF E-85 FLEX-FUEL FOR AN ESTIMATED ANNUAL EXPENDITURE OF \$885,000.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☒ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☐ Potential Revenue is possible with this action;
5. ☒ Will not increase the cost of Housing;
6. ☐ May increase the cost of Housing; (CDAB review required)

Explanation:

This Resolution seeks authorization for the appropriate City Officials to cancel the existing Blanket Purchase Order (BPO) with Protec Fuel Management, LLC and issue a new Blanket Purchase Order to Protec Fuel Management, LLC for the remainder of the five year term in an estimated annual amount of \$885,000.00.

On December 14, 2016, the City Commission adopted Resolution R-2016-361 authorizing the issuance of a Blanket Purchase Order to Protec Fuel Management, LLC for a five year term to supply E-85 flex-fuel for an estimated annual expenditure of \$350,000.00. Then on March 21, 2018, the City Commission adopted Resolution R-2018-086 authorizing an increase in the contractual annual amount to \$535,000.00 for the remainder of the current term of the agreement. As the Department of Public Works continues to transition additional vehicles from unleaded fuel to the more fuel efficient and alternative fueled vehicles and is forecasting utilizing more E-85 flex-fuel, it is in the best-

interest of the City to issue a new purchase order with the increased amount estimated at \$885,000.00 per year.

Section 38.40(C)(8) of the Code of Ordinances exempts from competitive bidding and competitive proposals purchases of, and contracts for, supplies or contractual services, when the City Commission declares, by a five-sevenths (5/7ths) affirmative vote, that competitive bidding and competitive proposals are not in the best interest of the city.

Funding for this purchase is available in the Fiscal Year 2019 Internal Services Fund 557 Operating Budget of the Department of Public Works account numbers 557.510101.51900.552110.000000.000.000 – Motor Fuel/Oil and 557.510101.51900.552610.000000.000.000 – Motor Fuel - Police Vehicles, and will be budgeted in subsequent fiscal years subject to the passage and adoption of each subsequent fiscal year's Operating Budget by the City Commission.

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