



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2018-086, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The Appropriate City Officials To Issue The Attached Amended Agreement With Protec Fuel Management, LLC To Provide E-85 Flex-Fuel By Increasing The Estimated Annual Expenditure Of \$350,000.00 To \$535,000.00 For The Remainder Of The Current-Term, And An Increase Of \$110,507.57 For The Previous Year (2017).

Staff Recommends: The Approval of the Attached Resolution

Explanation:

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 flex-fuel products, to meet the City's Environmental Sustainability and alternative fuel goals.

On December 14, 2016, the City Commission passed and adopted R-2016-361, authorizing the issuance of a best interest blanket purchase order to Protec Fuel Management, LLC for a five year term to supply E-85 fuel for an estimated annual expenditure of \$350,000.

Protec was awarded the Biofuels Infrastructure Partnership under the Department of Agriculture, an alternative fuel funding program in which they were the only recipient in the State of Florida offering this incentive program. Through this funding initiative, Protec retro-fitted 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.

A total of \$110,507.75 is currently due to vendor for fuel consumption during the initial term of this agreement and initial year forecasting did not account for emergency preparedness and recovery.

The Department of Public Works requests the increased annual amount of \$535,000.00 for the remainder of the current contract term to meet the annual usage needs which include emergency preparedness and recovery, increased inventory of fleet vehicles that utilize E-85 fuel, and fluctuating fuel costs.

Approximately 50% of the City's unleaded fueling quantity is being utilized by E-85 compatible vehicles in the fleet, a total of 472 vehicles (362 vehicles for Police and 110 vehicles for non-Police vehicles) and by making the E-85 fuel available, will significantly and immediately improve our environmental sustainability and alternative fuel goals.

The Department of Public Works is currently transitioning additional vehicles from unleaded fuel to include more fuel efficient and alternative fuel vehicles and are forecasting utilizing more E-85 fuel.

The Department of Public Works has determined that the increased usage of E-85 fuel will correlate with a significant decrease in the consumption of unleaded fuel.

The projected increased fuel consumption will substantially change the scope of the current contract and will require the Department of Public Works and the Procurement & Contract Compliance Department to analyze best practices in determining subsequent follow-on awards in order to maintain compliance with City Procurement Ordinance.

Funding for the attached agreement is available in the FY 2018 Operating Budget and will be budgeted in future fiscal years in account number 57.5101.00102.590.005211, a total of 24 percent (\$128,400.00) of the cost and 57.5101.00102.590.015211, 76 percent of the cost (\$406,600.00).

Recommended for inclusion on the agenda by:

Dr. Wazir A. Ishmael, City Manager

George R. Keller, Jr. CPPT, ACM for Public Safety, Interim Assistant City Manager for Finance and Administration

Silvia Glazer, Director, Public Works

Paul Bassar, Director and Contract Compliance Office, Procurement