



LAKE COUNTY FOREST PRESERVES
www.LCFPD.org

Preservation, Restoration, Education and Recreation

DATE: October 8, 2015
MEMO TO: S. Michael Rummel, Chair
Finance and Administrative Committee
FROM: John E. Nelson, Director
Operations and Infrastructure
SUBJECT: Contracts for the Purchase of Motor Fuel

Agenda Item# 9.5

RECOMMENDATION: Recommend approval of a Resolution awarding contracts to Avalon Petroleum Co., Inc., Antioch, Illinois and Petroleum Traders Corporation, Fort Wayne, Indiana for the purchase of motor fuel (gasoline and diesel) by the District for use by the District, the Lake County Sheriff's Office (Sheriff), and the Lake County Division of Transportation (LCDOT). The total amount of the contracts shall be in an amount not to exceed \$445,000.00 (District \$385,000.00; Sheriff and LCDOT \$60,000.00). All expenses incurred by the District for fuel used by the Sheriff and LCDOT will be reimbursed to the District by the County of Lake pursuant to existing letter agreements with the District.

BACKGROUND: The District solicited bids for the supply of motor fuel and three bidders responded by the September 2, 2015 bid opening deadline.

Motor fuel is purchased annually for use by all District vehicles and equipment. The amount of the contract is based upon the estimated annual use by the District plus the estimated annual use by the Sheriff and LCDOT. The Sheriff and LCDOT may fuel their vehicles at the fuel station located at the Operations and Public Safety Facility in Lindenhurst. Staff believes that including the Sheriff's and LCDOT's fuel needs in the bidding specifications results in a lower unit price and consequently cost savings to the District.

District staff reviewed the bids identified on Exhibit A to the attached Resolution and recommends: (1) that Avalon Petroleum Co., Inc., Antioch, Illinois, be awarded the contract as the lowest bidder with respect to the bids on Exhibit A, highlighted under "Avalon Petroleum;" and (2) Petroleum Traders Corporation, Fort Wayne, Indiana, be awarded the contract as the lowest bidder with respect to the bids on Exhibit A highlighted under "Petroleum Traders".

REASON FOR RECOMMENDATION: Committee and Board approvals are required in accordance with District Policy.

REVIEW BY OTHERS: Purchasing Manager, Finance Director, Chief Operations Officer, Corporate Counsel.

FINANCIAL DATA: Motor fuel is ordered on an as-needed basis. A total of \$385,000.00 is budgeted annually for motor fuel as part of the Operations and Infrastructure Department - Mechanical Services budget (\$285,000.00 in 15533800-611000 and \$100,000.00 in 20533800-611000). An additional amount of \$60,000 is budgeted in 15533800-611000 for the fuel that is reimbursed by the Sheriff and LCDOT. A total of \$98,000 is budgeted annually for the golf courses.

PRESENTER: John E. Nelson

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

A RESOLUTION AWARDING CONTRACTS FOR PURCHASE OF MOTOR FUEL

WHEREAS, the Lake County Forest Preserve District (the "District") has advertised in The News Sun for sealed bids to purchase various types of motor fuel (the "Products"); and

WHEREAS, to reduce the prices bid for the Products, the quantities of the Products to be bid on by prospective bidders include quantities to be purchased by the District and reimbursed by the Lake County Sheriff's Office (the "Office") and the Lake County Division of Transportation ("the Division") pursuant to existing letter agreements between the District and the Office and the Division, respectively; and

WHEREAS, all sealed bids were received and opened by the District at its General Offices, 1899 West Winchester Road, Libertyville, Illinois, on September 2, 2015 at 1:00 p.m.; and

WHEREAS, bids were received from three bidders for the types of motor fuel and in the amounts set forth on **Exhibit A** attached hereto and made a part hereof; and

WHEREAS, the District's staff, the Purchasing Manager, the Director of Operations and Infrastructure, and the Finance and Administrative Committee have reviewed the bids and recommend that the Board of Commissioners find: (i) Petroleum Traders Corporation to be the lowest responsible bidder with respect to the Products corresponding to the highlighted "Petroleum Traders" bids on Exhibit A ("Petroleum Traders Bids"); and (2) Avalon Petroleum Co., Inc., to be the lowest responsible bidder with respect to the Products corresponding to the highlighted "Avalon Petroleum" bids on Exhibit A ("Avalon Petroleum Bids"), and award contracts for the Products to those bidders consistent therewith; and

WHEREAS, the Board of Commissioners hereby finds that Petroleum Traders Corporation and Avalon Petroleum Co., Inc., are the lowest responsible bidders for the Products, as set forth in the previous clause;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois, **THAT**:

Section 1: Recitals. The recitals set forth above are incorporated as a part of this Resolution by this reference.

Section 2: Award of Contract. The Petroleum Traders Bids are hereby accepted and a contract for the Products in the amount of the Petroleum Traders Bids (the "Petroleum Traders Contract Price") is hereby awarded to Petroleum Traders Corporation. The Avalon Petroleum Bids are hereby accepted and a contract for the Products in the amount of the Avalon Petroleum Bids (the "Avalon Petroleum Contract Price") is hereby awarded to Avalon Petroleum Co., Inc. (collectively, the "Contracts").

Section 3: Execution of Contracts. The Executive Director of the District is hereby authorized and directed to execute the Contracts for the Products in the amounts of the Petroleum Traders Contract Price and the Avalon Petroleum Contract Price.

Section 4: Payments. The District Treasurer shall make payments under the Contracts only pursuant to and in accordance with the Contracts' terms.

Section 5: Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this _____ day of _____, 2015.

AYES:

NAYS:

APPROVED this _____ day of _____, 2015.

Ann B. Maine, President
Lake County Forest Preserve District

ATTEST:

Julie A. Gragnani, Secretary
Lake County Forest Preserve District

Exhibit No. _____

