

## EWEB Board Consent Calendar Request

*For Contract Awards, Renewals, and Increases*

The Board is being asked to approve a new Contract with **WECO Inc., dba Carson** for the supply of fuel under the **Regional Fuel Supply Cooperative** for Greater Oregon Fuel Cooperative (GOFC) members.

Board Meeting Date: 11/2/2021  
Project Name/Contract #: Regional Fuel Supply Cooperative / 21-094-GS  
Primary Contact: Rod Price Ext. 7122

### Contract Amount:

Original Contract Amount: \$3,000,000 (over 5 years for EWEB)  
Additional \$ Previously Approved: \$0  
Invoices over last approval: \$0  
Percentage over last approval: 0%  
Amount this Request: \$3,000,000 (over 5 years for EWEB)  
Resulting Cumulative Total: **\$3,000,000 (over 5 years for EWEB)**

### Contracting Method:

Method of Solicitation: Formal Invitation to Bid (ITB)  
If applicable, basis for exemption: N/A  
Term of Agreement: Initial Term is 2 years  
Option to Renew? Yes, annually up to 5 years total  
Approval for purchases *"as needed"*  
for the life of the Contract: Yes ☒ No ☐  
Proposals/Bids Received (Range): 1  
Selection Basis: Lowest Responsive and Responsible Bidder  
Narrative:

### Operational Requirement and Alignment with Strategic Plan

The EWEB fleet vehicles and power equipment require several blends of fuel to operate. Regional public agencies have similar requirements, and a decision by fleet and purchasing staff determined a cooperative agreement for these fuels and other commonly used materials would gain economies of scale and promise more competitive pricing if bid cooperatively. In the spring of 2016, EWEB developed an intergovernmental agreement with regional public agencies to establish and operate a cooperative procurement group named the Greater Oregon Fleet Cooperative (GOFC). The other agencies include the City of Eugene, Lane County, LTD, 4J and Springfield School Districts, and several others. The total expected spend by cooperative members is \$38 million, approval of budgets and contract use are the responsibility of each agency.

### Contracted Goods or Services

This contract involves the purchase of transportation fuels including unleaded, ethanol-blended fuels, bio-diesel, and renewable diesel, as well as fuel cards for use at CFN Fuel Master Cardlock sites.

### Purchasing Process

In September 2021, EWEB issued a formal Invitation to Bid for the supply of transportation fuel under the Regional Fuel Supply Cooperative for GOFC members. The solicitation was publicly advertised on OregonBuys and 12 companies viewed the solicitation. One bid was received from WECO, Inc. dba Carson, and was deemed responsive and responsible.

### BIDS RECEIVED

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
WECO, Inc. dba Carson	Eugene, OR	\$7,551,678.75: based on 1 year's estimated usage of fuel for all GOFC members. See note below.	NA

A breakdown of the offered price per GOFC Member's usage (in %) is as follows:

EWEB	6%
Lane County	13%
City of Eugene	13%
Lane Transit District	30%
4J School District	8%
Springfield School District	12%
Bethel School District	2%
Springfield Utility Board	2%
City of Corvallis	6%
Benton County Public Works	7%

### Competitive Fair Price

Staff reached out to two leading suppliers to inquire about the lack of response and it was determined that Carson is the only supplier that can supply and deliver all fuels specified in the bid. Limiting the award to one supplier reduces the administrative overhead of managing and coordinating multiple contracts/suppliers and also reduces potential environmental impacts by requiring fewer suppliers making large fuel deliveries.

Additionally, staff compared the bid margin pricing to the State Contract with Carson that was awarded in 2020 and found the state pricing to be 1.2% higher.

### Prior Contract Activities

EWEB Contract No.	Project Name (Description)	Board Approval Date	Project Duration	Original Contract Amount	Final Contract Amount
026-2016	Regional Fuel Supply Cooperative	8/2/16	9/1/16 – 11/15/21	\$2,875,000	\$2,131,188.31
WECO, Inc. dba Carson has been a successful Contractor, meeting EWEB's product quality and service requirements.					

### **ACTION REQUESTED:**

Management requests the Board approve a new Contract with WECO Inc., dba Carson for the supply of fuel under the Regional Fuel Supply Cooperative for Greater Oregon Fuel Cooperative (GOFC) members. Approximately \$600,000 was planned for these goods and services in the Fleet Department 2021 O&M budget of \$2.8 million. Variances will be managed within the budget process and Board policy.