

SUBJECT: APPROVAL OF 2025 ANNUAL FUEL PURCHASE

DATE: FEBRUARY 04, 2025

PRESENTED BY: KURT KOWAR, P.E., DIRECTOR OF PUBLIC WORKS

SUMMARY:

Staff recommends approval to purchase fuel from SENERGY PETROLEUM (Hill Petroleum) under the guidelines and price structure of the current RFP-22-22-MAPO agreement currently expiring on 7/31/2025.

City staff purchases gasoline and diesel fuel on a monthly basis throughout the year for the city vehicle and golf course fleet. The City has used, on average, 46,952 gallons of unleaded gasoline and 13,362 gallons of biodiesel fuel over the course of the last six years (2019-2024).

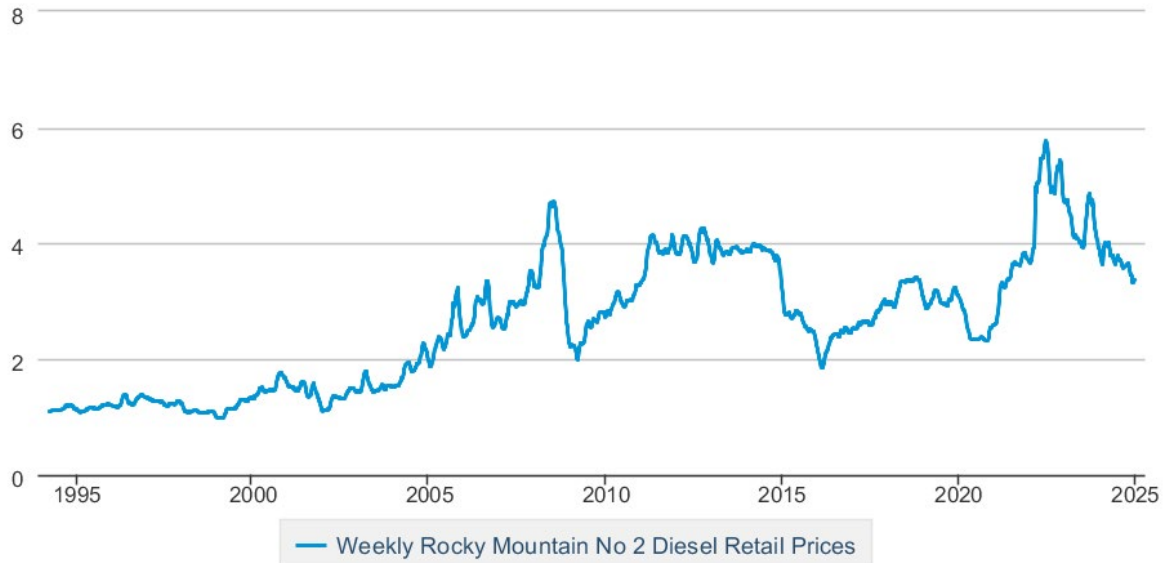
The supplier for the City's fuel is selected based on the lowest bid available for the Colorado Municipal Assembly of Procurement Officials (MAPO). This bid, currently RFP-22-22-MAPO, was advertised in 2022 with Hill Petroleum, (now known as SENERGY PETROLEUM) as the successful bidder for Fuel Delivery Services. Louisville, as a member of MAPO, is able to participate under the terms of the agreement. Hill Petroleum (SENERGY PETROLEUM) has supplied fuel to the City for approximately twenty years.

The City has budgeted \$184,845 for fuel to be purchased in 2025. Budgeting for City fuel purchases is done by department and allocated across various cost centers in the operational budget. Actual 2024 fuel costs were \$183,675.

The actual fuel cost will vary based upon market pricing of oil. City staff monitor fuel costs in conjunction with overall citywide budget trends to manage expenditures for each fiscal year. In the event of costs exceeding overall line items staff will recommend future budget amendments to align actual costs with line-item budgets.

Weekly Rocky Mountain No 2 Diesel Retail Prices

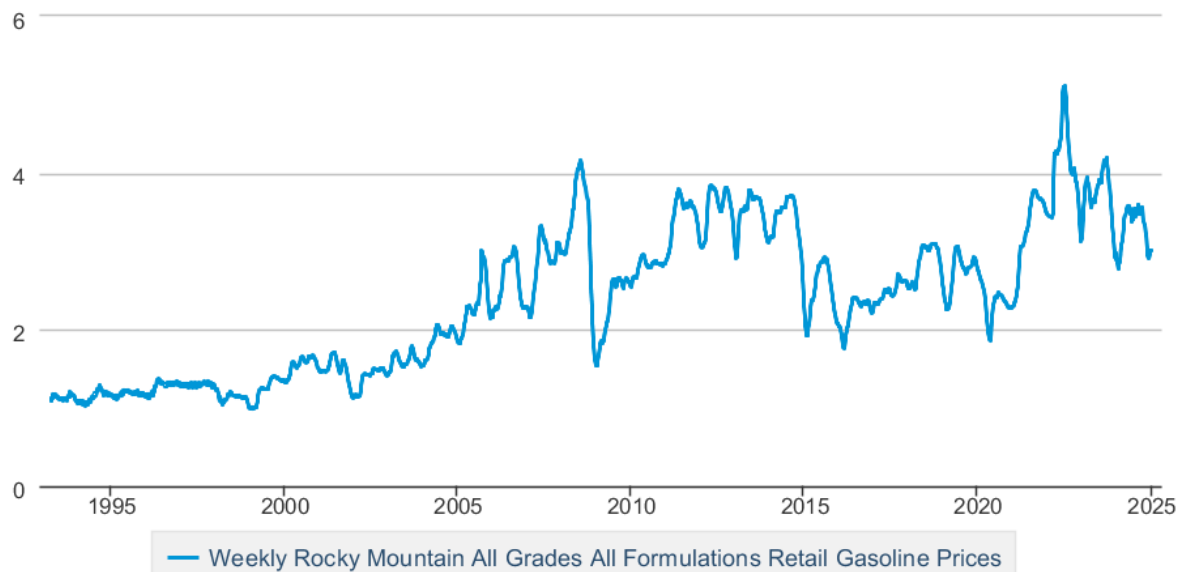
Dollars per Gallon



Data source: U.S. Energy Information Administration

Weekly Rocky Mountain All Grades All Formulations Retail Gasoline Prices

Dollars per Gallon

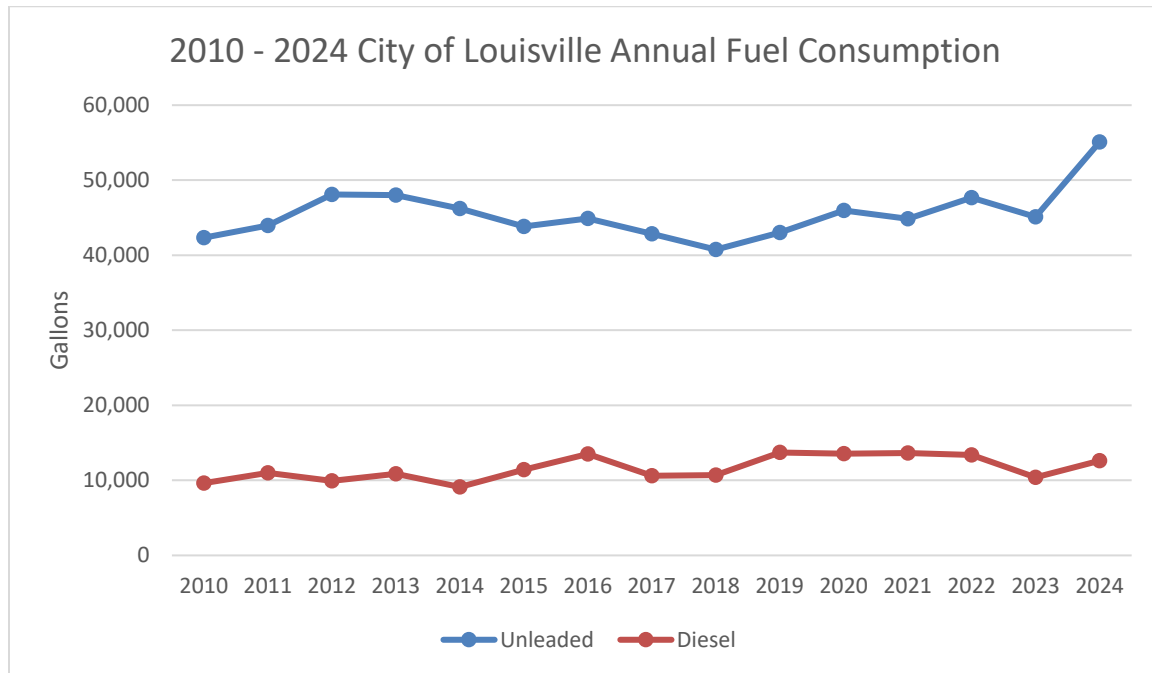
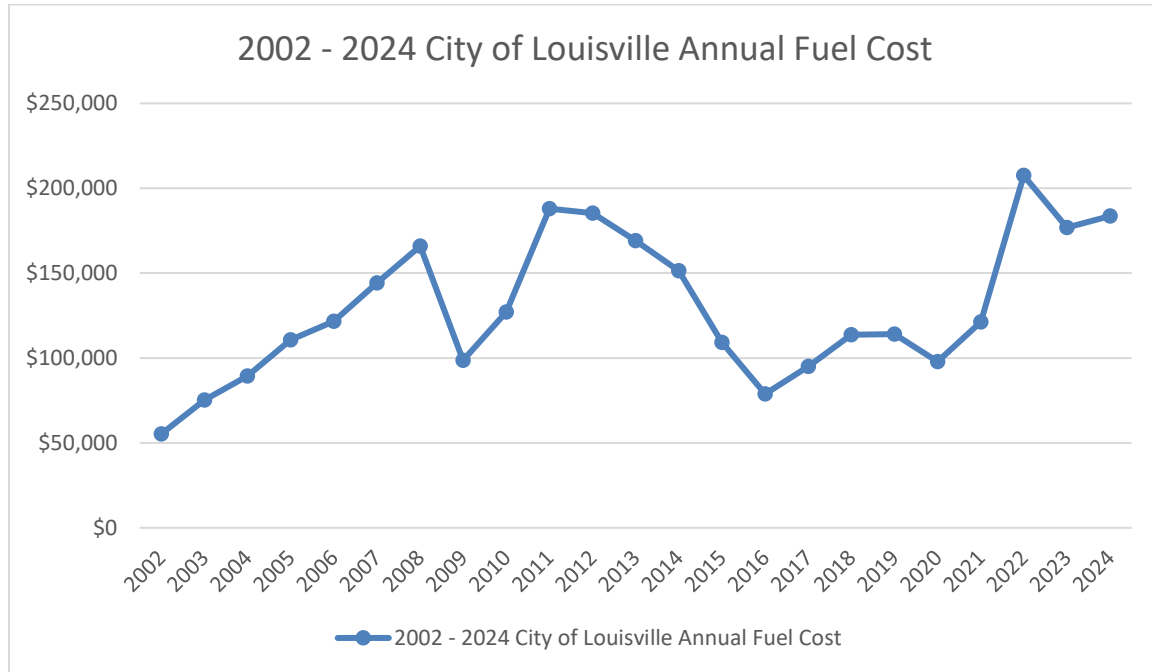


Data source: U.S. Energy Information Administration

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CITY COUNCIL COMMUNICATION

CC 02/04/25

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FISCAL IMPACT:

The approved 2025 Budget provides for \$184,845 for fuel and oil for citywide fleet and golf course expenditures.

PROGRAM/SUB-PROGRAM IMPACT:

A safe, well-maintained, effective and efficient multi-modal transportation system at a reasonable cost.

RECOMMENDATION:

Approve the Public Works Director to enter a purchasing agreement with SENERGY PETROLEUM for \$184,845 that fulfills the approved 2025 budget for fuel and oil purchasing.

ATTACHMENT(S):

1. MAPO Notice of Award
2. SENERGY PETROLEUM Piggyback Letter

STRATEGIC PLAN IMPACT:

☒	 Financial Stewardship & Asset Management	☒	 Reliable Core Services
☐	 Vibrant Economic Climate	☐	 Quality Programs & Amenities
☐	 Engaged Community	☐	 Healthy Workforce
☐	 Supportive Technology	☐	 Collaborative Regional Partner



ARAPAHOE COUNTY
COLORADO'S FIRST

Department of Finance

PURCHASING DIVISION

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TODD WEAVER
Director

May 29, 2024

Mike Principato
Thomas Walker
Senergy Petroleum
6301 Ralston Rd.
Arvada, CO 80002
Mike.Principato@gosenergy.com
Thomas.Walker@gosenergy.com

RE: Bulk Fuel Purchase and Delivery for Colorado MAPO Agencies
RFP-22-22_MAPO

Mr. Walker and Mr. Principato,

Hill Petroleum entered into an agreement for Bulk Fuel Purchase and Delivery for Colorado MAPO Agencies on August 01, 2022. Arapahoe County then consented to the assignment of the agreement from Hill Petroleum to Senergy Petroleum effective November 2, 2022. Please find attached with this letter the Extension of the Agreement.

Please sign and e-mail back a scanned copy, along with current pricing and an updated Certificate of Insurance, within ten (10) business days of the date of this letter.

Sincerely,

Sarah Huerta, CPPB

Sarah Huerta
Senior Purchasing Agent

Cc: Purchasing File

May 29, 2024

Mike Principato
Thomas Walker
Senenergy Petroleum
6301 Ralston Rd.
Arvada, CO 80002
Mike.Principato@gosenergy.com
Thomas.Walker@gosenergy.com

**RE: Bulk Fuel Purchase and Delivery for Colorado MAPO Agencies
RFP-22-22_MAPO**

Arapahoe County and Senenergy Petroleum entered into an agreement for Bulk Fuel Purchase and Delivery for Colorado MAPO Agencies on August 1, 2022. The parties may mutually agree upon an annual extension of this agreement pursuant to the provisions as set forth in the original Agreement for Services.

Senenergy Petroleum hereby agrees to maintain market value pricing without additional increases, and all parties mutually agree upon an annual extension of this agreement pursuant to the provisions set forth in the solicitation.

Staff has determined that it is to the best interest of the County to extend this agreement from August 1, 2024, through July 31, 2025.

By executing the signature page, both parties agree to the extension of this Agreement for Services or Purchase Agreement.

SIGNATURE PAGE

CONTRACTOR: _____

By: TL Wall
(signature)

Title: Sales Director

Date: 6/6/24

ARAPAHOE COUNTY

By: Patricia O'Neill
Chair, Board of County Commissioners
(Or representative authorized by resolution)

Date: 06/06/2024

Purchasing Agreement Piggyback Letter

Date: August 1st, 2022

Name of Municipality_____

Purchasing/contracting Authority_____

This letter is to confirm the intentions of _____ to
participate in the benefits, and be bound by the terms and conditions of the RFP 22-22
MAPO Fuel Agreement Hosted by Arapahoe County dated August 1, 2022

Purchasing/Contracting Authority Signature_____

Hill Petroleum Signature_____

This document will be forwarded to Arapahoe County Purchasing and a letter of addition will be forwarded to you. In addition Arapahoe County requested that each municipality wishing to participate provide one other piece of documentation. Please provide delivery address, product used, tank size and annual volume for each location that will be serviced on a separate document.

Thank You,

Gina Baker Distributor Sales Rep
Troy Hill VP Operations
Hill Petroleum