

## Request for Decision

<b>Title</b>	<b>Award of Contract for the Supply and Delivery of Gasoline, Dyed Diesel and Clear Diesel</b>																		
<b>Proposed Motion</b>	That Council authorize Administration to sign a one-year agreement for the supply and delivery of gasoline, dyed diesel and clear diesel from North Central Co-operative Association Ltd.																		
<b>Administrative Recommendation</b>	That Sturgeon County maintain an open and transparent approach to fuel procurement.																		
<b>Previous Council Direction</b>	<u>December 20, 2017</u> Motion 506/17: That Council approve the 2018 Operating and Capital budget, as amended.																		
<b>Report</b>	<u>Background Information</u> <ul style="list-style-type: none"> <li>The invitation to tender was prepared based on current usage, delivery locations and types of fuels required.</li> <li>The tenders for the supply and delivery of gasoline, dyed diesel and clear diesel were opened on Wednesday, February 7, 2018, in public in accordance with the tender instructions. Administration has reviewed and analyzed each bid.</li> <li><b>Fuel prices fluctuate daily.</b> Comparing delivery charges, management fees, applicable discounts along with the provided daily rack price has provided some clarity for this recommendation.</li> </ul> <table> <tr> <th><b>Top six fuel tender comparisons</b></th><th><b>Co-Op</b></th><th><b>4Refuel</b></th><th><b>Apron Fuel</b></th></tr> <tr> <td>Approx fuel cost with fluctuating Fuel prices and fixed fees per year</td><td>\$900,045</td><td>\$918,945</td><td>\$922,645</td></tr> </table> <table> <tr> <th></th><th><b>AFD</b></th><th><b>Brandon</b></th><th><b>PFA (AAMDC)</b></th></tr> <tr> <td>Approx fuel cost with fluctuating fuel prices and fixed fees per year</td><td>\$925,100</td><td>\$925,695</td><td>\$932,197</td></tr> </table> <p>Factors considered in order of importance</p> <ul style="list-style-type: none"> <li>Cost,</li> <li>Location of distributor,</li> <li>Delivery fees,</li> </ul>			<b>Top six fuel tender comparisons</b>	<b>Co-Op</b>	<b>4Refuel</b>	<b>Apron Fuel</b>	Approx fuel cost with fluctuating Fuel prices and fixed fees per year	\$900,045	\$918,945	\$922,645		<b>AFD</b>	<b>Brandon</b>	<b>PFA (AAMDC)</b>	Approx fuel cost with fluctuating fuel prices and fixed fees per year	\$925,100	\$925,695	\$932,197
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- Management fees, and
- Fuel quality.

A total of ten proposals were received from the following and are in order of lowest anticipated cost to highest anticipated cost.

- North Central CO-OP,
- 4Refuel,
- Apron Fuel,
- AFD Fuels and Lubricants,
- Brandon Petroleum,
- PFA (AAMDC),
- UFA,
- MFP Resources,
- Bluewave Energy, and
- Hughes Petroleum.




#### External Communication

The Request for Tenders for the Supply and Delivery of Regular (87 octane) Gasoline, Dyed Diesel, and Clear Diesel was posted on the Alberta Purchasing Connections website. The New West Partnership Trade Agreement (NWPTA) and the Agreement on Internal Trade (AIT) apply to this purchase.

#### Relevant Policy/Legislation/Practices:

- Procurement Directive dir\_pro\_fin\_2014 indicates that tenders exceeding \$500,000 should be ratified at the following Council Meeting.

<b>Implication of Administrative Recommendation</b>	<p><u>Strategic Alignment:</u></p> <p>This recommendation is consistent with the Sturgeon County Strategic Plan's Focus Areas of Strong Local Governance and Regional Leadership, Respect for the Environment, and Operational Excellence.</p> <p><u>Organizational:</u></p> <p>Sturgeon County recognizes the need to maintain an open transparent approach to fuel procurement.</p> <p><u>Financial:</u></p> <p>The approved fuel budget is \$1,028,268. Based on projections from the recommendation, Sturgeon County can expect a cost of approximately \$900,000 for the 2018 fiscal year. This cost includes all three fuels.</p>
<b>Alternatives Considered</b>	<p><u>Recommendation:</u></p> <ul style="list-style-type: none"> <li>- That Council refer tender discussion to Committee of the Whole for reconsideration of tender selection weighting of evaluation criteria.</li> <li>- That a three-year agreement be considered to better manage service fees by freezing fees for those three (3) years.</li> </ul>

<b>Implications of Alternatives</b>	<p><u>Strategic Alignment:</u></p> <p>This recommendation is consistent with the Sturgeon County Strategic Plan's Focus Areas of Strong Local Governance and Regional Leadership, Respect for the Environment, and Planned Growth and emerging focus area of Operational Effectiveness.</p> <p><u>Organizational:</u></p> <p>It is recommended to award the contract for the supply and delivery of gasoline, dyed diesel and clear diesel to ensure consistent uninterrupted service to our machinery.</p> <p><u>Financial:</u></p> <p>Alternatives would result in additional fees and charges from all other vendors and potential interruptions due to distance aside from UFA.</p>
<b>Follow up Action</b>	<p>Fleet Services will enter into agreement with the vendor for the supply and delivery of gasoline, dyed diesel and clear diesel for a term of one year, to be signed in accordance with the Sturgeon County procurement directive.</p>
<b>Attachment(s)</b>	<p>None.</p>
<b>Report Reviewed by:</b>	<div data-bbox="516 913 812 976"></div> <div data-bbox="508 982 1153 1018">Mike Philbrick, Manager, Fleet and Building Services</div> <div data-bbox="506 1054 755 1186"></div> <div data-bbox="508 1192 966 1228">Rick Wojtkiw, GM Corporate Support</div> <div data-bbox="506 1264 792 1348"></div> <div data-bbox="508 1354 993 1390">Bill Minnes, County Commissioner-CAO</div>

## Strategic Alignment Checklist

**Vision:** Sturgeon County: a diverse, active community that pioneers opportunities and promotes initiative while embracing rural lifestyles.

**Mission:** Provide quality, cost effective services and infrastructure to meet the diverse needs of the Sturgeon County community, while improving competitiveness and sustainability.

Focus Areas	Not consistent	N/A	Consistent
<b>Strong Local Governance and Regional Leadership</b>			
<i>We promote consistent and accountable leadership through collaborative and transparent processes (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Consistent with neighborhood role (see MDP), master plans, policies</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers fiscal stability and sustainability</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Has a positive impact on regional and sub-regional cooperation</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Respect the Natural Environment</b>			
<i>We acknowledge the importance of a healthy environment and will minimize and monitor our impact on ecosystems (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Compliance with Provincial and Federal regulations and/or legislation</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Ensure effective environmental risk management</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Community Identity &amp; Spirit</b>			
<i>We will build upon our strengths, where together we will create an inclusive, caring community (Strategic Plan, (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Promotes and/or enhances residents' identification with Sturgeon County</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Enhances service provision through community partnerships</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Supports Sturgeon County's cultural history</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Planned Growth and Prosperity</b>			
<i>We encourage varied and integrated enterprises that enhance our strong economic base, while balancing the needs of the community and natural environment. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Does the proposal align with the Integrated Regional Growth Strategy (map/policies) pg. 26 MDP</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers cumulative costs and long-term funding implications</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Targets growth around current or planned infrastructure</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Maintain and Enhance Strong Communities</b>			
<i>We are committed to a safe, secure community, where our residents are respected and provided with access to opportunities. (Strategic Plan, pg. 27 MDP)</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Positive impact on residents' quality of life</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Supports and promotes volunteer efforts</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> <li>Provides programs and services that are accessible to all residents</li> </ul>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Operational Excellence</b>			
<i>We have the organizational capability to deliver consistent and defined levels of service to all stakeholders in a professional, efficient, and cost-effective manner</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Staff have the knowledge, skills and capability to perform their jobs</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Streamlines operational processes and policies</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Promotes engagement and professional interaction with stakeholders</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<ul style="list-style-type: none"> <li>Considers a cost-structure which allows Sturgeon County to remain competitive within a regional, national and global context</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>