



City Council Report

Date: February 24, 2025
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Kristy Garcia, Procurement Administrator
Subject: Dollar Limit Increase to the Term Contract for Lubricants, Oils, and Grease for the Water Resources and Fleet Services Departments **(Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Water Resources and Fleet Services Departments and Procurement Services recommend increasing the dollar limit with Reladyne West, LLC.; Colorado Petroleum Products Company dba Arizona Petroleum; and Senergy Petroleum, LLC. by \$300,000, from \$90,000 to \$390,000 annually, with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract is for the purchase of lubricants, oil, and grease for the maintenance of pumps, motors, and other equipment located at the City's various water and wastewater treatment facilities.

This contract was initially set up for use by the Water Resources Department. The Fleet Services Department has started to utilize this contract to purchase lubricants and related products needed to maintain and service the City's fleet of vehicles. Based on the additional department's use, a dollar limit increase is needed.

Purchase Information

Action: Amendment

Procurement Type: Cooperative Contract Use

Contract Number: 2025012 & 2025013

Contracting Agency/Contract Number: State of Arizona & City of Tucson

- #CTR063923 - Reladyne West, LLC. (State of Arizona)
- #CTR063926 - Colorado Petroleum Products Company (State of Arizona)
- #230087-06 – Senergy Petroleum (City of Tucson)

Initial Contract Term: 7/16/2024 – 1/10/2026

Possible Renewals: Up to a maximum of two (2) years subject to Administrative review and approval

Funding Source: Water and Wastewater Enterprise Operating and Maintenance funds, Greenfield Joint Venture Operating and Maintenance funds, and Fleet Internal Services Fund

Dollar Limit History

Administrative Approved Amount (9/18/2024):	\$90,000.00
This increase request:	<u>\$300,000.00</u>
New Annual Contract Value (Years 2-4):	\$390,000.00