



City Council Report

Date: August 23, 2021
To: City Council
Through: Michael Kennington, Deputy City Manager/Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: Term Contract with Renewal Options for Lubricants, Oils and Grease for the Water Resources Department **(Citywide)**

Recommendation

Council is requested to approve the contract amendment as recommended.

The Water Resources Department and Purchasing recommend authorizing the purchase using the State of Arizona cooperative contracts with Senergy Petroleum LLC; Flyers Energy LLC; West Direct Oil; and Colorado Petroleum – Arizona Petroleum; at \$80,000 annually, with an annual increase allowance of up to 5%, or the adjusted Producer Price Index.

Background / Discussion

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

The State of Arizona cooperative contracts have been competitively bid and meet the City's procurement requirements. Water Resources and Purchasing believe this contract is advantageous to the City, and that going out for a formal bid would not result in any significant cost savings to the City.

Purchase Information

Action: Amendment
Procurement Type: Cooperative Contract Use
Contract Number: 2021230
Contracting Agency/Contract Number: State of Arizona Contracts: CTR046340 Senergy Petroleum LLC; ADSPO18-175293 Flyers Energy LLC; ADSPO17-159247 - West Direct Oil; and ADSPO17-159248 Colorado Petroleum – Arizona Petroleum
Local Consideration: Policy did not apply to this procurement method
Protests Received: None
Initial Contract Terms: through 1/19/2022
Possible Renewals: Various renewal options that are dependent on the lead agency renewing the agreement and subject to Administrative review and approval
Funding Source: Water Resources operating budget (Water and Wastewater Operations & Maintenance) and Greenfield Joint Venture Fund - Operations & Maintenance