AGENDA SPECIAL PUBLIC WORKS & UTILITIES COMMITTEE Village of Hoffman Estates

July 6, 2020

Immediately following Planning, Building and Zoning Committee

Members: Anna Newell, Chairperson

Michael Gaeta, Vice Chairperson

Gary Pilafas, Trustee Karen V. Mills, Trustee Gary G. Stanton, Trustee Karen J. Arnet, Trustee William McLeod, Mayor

I. Roll Call

NEW BUSINESS

1. Request authorization for the Village to participate in the Northwest Municipal Conference (NWMC) Suburban Purchasing Cooperative (SPC) for a one-year contract with Al Warren Fuel Co., Hammond, IN, for joint purchase of diesel fuel and gasoline.

II. Adjournment

(Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at www.hoftmanestates.org and/or in person in the Village Clerk's office).

COMMITTEE AGENDA ITEM VILLAGE OF HOFFMAN ESTATES

SUBJECT: Request authorization for the Village to participate in the

Northwest Municipal Conference (NWMC) Suburban Purchasing Cooperative (SPC) for a one-year contract with Al Warren Fuel Co., Hammond, IN, for joint

purchase of diesel fuel and gasoline.

MEETING DATE: July 6, 2020

COMMITTEE: Special Public Works & Utilities

FROM: Joseph Nebel, Director of Public Works

Kelly Kerr, Assistant Director of Public Works

Joe Capiga, Fleet Supervisor

PURPOSE: To participate in the current fuel contract with Al Warren

Fuel Co., Hammond, IN.

BACKGROUND: The Village has purchased fuel through this joint purchasing

organization since 2001. On June 30, 2020, the Suburban Purchasing Cooperative Governing Board approved a one year contract with Al Warren Fuel Co., Hammond, IN. The SPC reserved the right to extend the contract for (3) additional (1) one-year periods under the same terms and conditions of the original contract. A letter regarding the contract is attached along with information and pricing

related to the original contract.

DISCUSSION: Staff recommends the continuation of participating in the

Joint Purchase Program contract for fuel purchase from Al Warren Fuel Co., Hammond, IN. This contract provides the Village a fuel supply at an extremely competitive cost. By pooling the fuel demands of many municipalities we are able

to secure better pricing.

FINANCIAL IMPACT: The recommended action will result in cost savings for both

unleaded gasoline and diesel fuel. There is a total of \$526,800 budgeted for fuel in 2020. To date the average cost per gallon for 2020 has been \$1.68/gallon for unleaded and

\$1.87 /gallon for diesel.

RECOMMENDATION:

Request authorization for the Village participate in the Northwest Municipal Conference (NWMC) Suburban Purchasing Cooperative (SPC) for a one-year contract with Al Warren Fuel Co., Hammond, IN. for joint purchase of diesel fuel and gasoline.

Attachments

From: Ellen Dayan [mailto:edayan@nwmc-cog.org]

Sent: Tuesday, June 30, 2020 2:03 PM
To: publicworksdirectors@nwmc-cog.org

Cc: sokon@alwarrenoil.com

Subject: New SPC Fuel Contract #198 Effective July 6

[External]

The Suburban Purchasing Cooperative (SPC) is pleased to announce the award of the 2020 Gasoline (87, 89, & 92 Octane), Diesel Fuel, Ethanol 75 & 85 and B20 Bio Diesel Fuel Contract (#198) to Al Warren Oil Co., Inc. based on being the lowest responsible, responsive bid and in compliance with all bid specification requirements. The duration of the Contract shall be July 6, 2020 through July 5, 2021. The SPC reserves the right to extend the contract for (3) three additional (1) one year periods under the same terms and conditions of the original contract.

Al Warren Oil Co., Inc., Hammond, IN will handle all billing.

The SPC contact for Al Warren Oil, Inc. is:

Shaleen Okon | Sales Representative 1646 Summer Street | Hammond, IN 46320 | sokon@alwarrenoil.com (312) 881-9324 Cell | (219) 228-5259 Fax



Please feel free to contact me or Shaleen (Shay), if you have any questions.

Have a great holiday!

Regards, Ellen

Ellen Dayan, CPPB
Purchasing Director
Northwest Municipal Conference
1600 E. Golf Road, Suite 0700
Des Plaines, IL 60016
847-296-9200 ext. 132
edayan(convmc-cog.org
SPC-IL-ORG

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A Joint Purchasing Program For Local Government Agencies

June 30, 2020

Ms. Shaleen Okon Sales Representative Al Warren Oil Co., Inc. 1646 Summer Street Hammond, IN 46320

Dear Ms. Okon,

This letter is to inform you that the Suburban Purchasing Cooperative (SPC) Governing Board has approved the award of the 2020 Gasoline (87, 89, & 92 Octane), Diesel Fuel, Ethanol 75 & 85 and B20 Bio Diesel Fuel Contract (#198) to Al Warren Oil Co., Inc. based on your response being the lowest responsible, responsive bid and in compliance with all bid specification requirements.

With acceptance of this contract, Al Warren Oil Co., Inc. agrees to all terms and conditions set forth in the specifications contained within the Request for Proposals to which you responded.

The duration of the contract is Contract shall be July 6, 2020 through July 5, 2021. The SPC reserves the right to extend the contract for (3) three additional (1) one year periods under the same terms and conditions of the original contract.

Al Warren Oil Co., Inc., Hammond, IN will handle all billing.

Al Warren Oil Co., Inc. shall remit to the NWMC Purchasing Manager on a quarterly basis, an amount equal to 0.5 % of the total dollar volume for the quarter. Contractor must furnish a report of purchases made from the contract by the last of the month following the end of each fiscal quarter:

Quarter 1 - May, June, July, due August 31

Quarter 2 – August, September, October, due November 30

Quarter 3 - November, December, January, due February 28

Quarter 4 - February, March, April, due May 31

This report is to be submitted to the NWMC Purchasing Director in Excel via email to <u>edayan@nwmceog.org</u>, and mailed to 1600 East Golf Road, Suite 0700, Des Plaines, Illinois 60016 and shall include the following information: ordering municipality, date of order, date of delivery, item descriptions, total quantity delivered, item price (including mark-up and applicable taxes), total order extended price, and total volume for the quarter.

The SPC looks forward to a productive year working with Al Warren Oil Co., Inc. Please sign and date this agreement below, retaining copies for your files and returning the original to my attention.

Sincerely,

Ellen Dayan, CPPB **Purchasing Director**

Northwest Municipal Conference

Name: Ellen Dayan

Date

Northwest Municipal Conference

Al Warren Oil Co., Inc.

2020 Fuel RFP #198 Prices by Item

Item		St. Marys Petroleum								
# Revised Schedule of Prices RFP #198 Annondum #3	\$ UOM Est. Quantii Unit Price Ext \$					\$ UOM Est Quantity Unit Price				
1 87 Octane-Deliveries <2,500 gollons										
OPIS Clicago Index Low Hack	1.2346 Galle				1 2346 (
Profit/Overhead Total Continuing (Not Taxes)	0 1800 Gallo				0 2000 0					
Total Cost/gallon (Net Taxes) Extended Total	1.4146 Gallo	100,000	\$ 1,4146	\$ 141,460	1 4346 0	adilor:	100000	\$1,4346	\$143,	
2 87 Octane-Deliveries >2,500 gallons but <6,000 gallons		*00,000	p 217270	V 212/100			100000	V-111210	4-1-5	
OPIS Chicago Index Low Rack	1,2345 Gallo	rı			1 2346 0	Sallon				
Profit/Overhead	0.0800 Gallo				0.1500 0					
Total Cost/gallon (Net Taxes)	L3146 Galle	n			1 3846 0	nolle				
Extended total		100000	\$ 1.3146	\$ 131,460			100000	\$1.3846	\$138,	
3 03 67 Octane Onliveries >6,000 gallons										
OPIS Chicago Index Low Rack	1,2046 Galfo				1,2346 6					
Profit/Overhead	0 0450 Gallo				0,0565 G					
Total Cost/gailon (Net Taxes) Extended Total	1.2796 Gallo	100,000	\$ 1.2796	\$ 127,960	1,2911 0	allon	100000	\$1.2911	\$129	
4 89 Octane-Deliveries <2,500 gallons		100,000	\$ 1.2796	\$ 127,900	_	_	100000	31.2311	3,223	
OP35 Chicago Index Low Rack	1,4546 Gallo	D			1.4546 G	allon				
Prolit/Overhead	0 1200 Gallo				0 2000 G					
Total Cost/galion (Net Fases)	1,6346 Gallo				1 5546 G					
Extended Total		100,000	\$ 1 6346	\$ 163,460			100000	\$1.6546	\$165,	
5-89 Octane Deliveries >2,500 gallons but <6,000 gallons										
OPIS Chicago Index Low Rock	1,4546 Gallo	1			1 4546 G	allon				
Profit/Overhead	0 0000 Galler	ì			0,3500 (3	allon				
Total Cost/gallon (Net Taxes)	1,5346 Gallor				1 6046 G	allon				
Extended Total		100,000	\$ 1.5346	\$ 153,460			100000	\$1.6046	\$160	
6 89 Octone Deliveries >6,000 gallons						. 16				
OPIS Chicago Index Low Hack	1,4546 Gallor) 4546 G					
Prohl/Overhead	0 0450 Gallor 1 4996 Gallor				0 0565 G 1 5111 G					
Total Cost/gallon (Net Takes) Extended Total	1 4990 Galkii	100,000	\$ 1,4996	\$ 149,960	15111 6	anon	100000	\$1.5111	\$151	
7 93 Octane Deliveries <2,500 gallons	-	100,000	\$ X,4330	\$ 145,500	-	-	100000	72.32.12	7131	
OPIS Chicago Index Low Rack	1 7481 Gaikw				1 7481 G	allon				
Prdii:/Overhead	0.180fl Gallor				9 2000 G					
Total Cost/gallon (Net Faxes)	1 9281 Gallon				1 9481 G					
Extended Total		100,000	\$ 1.9281	\$ 192,810			100000	\$1,9481	\$194,	
8 93 Octane-Deliveries >2,500 gallons but <6,000 gallons										
OPIS Chicago Index Low Back	1 7401 Gallor				1 7481 G	allon				
Profit/Overliead	0.0800 Gallor				0 1500 G	allon				
Total Cost/gallon (Nel Taxes)	18881 Gallon				1 8981 G	allon				
Extended Total		100,000	\$ 1.8281	\$ 182,810	-		100000	\$1.8981	\$189,	
9-93 Octane-Deliveries >6,000 gallons						0.				
OPIS Chirago Index Edw Rack	17481 Gallon				1.7481 G					
Profit/Overhead	0.0450 Gallon 1 7931 Gallon				0 0565 G					
Total Cost/gallon (Net Taxes) Extended Total	3 /331 (3000)	100,000	\$ 1.7931	\$ 179,310	1 80/10 0	alicii	100000	\$1.8046	\$180,	
EG Grade N2 Diesel Fuel-Deliveries <2,500 gallons		200/000	4 2.7 33 2	y 273,520				V-10010	V	
OPIS Chicago Index Low Rock	1.1150 Gallon				1 1150 G	аЛоп				
Profit/Overhead	0.1800 Gallen				0 2000 Ga					
Total Cost/gallon (Net Taxes)	1 2950 Gallon				1 3150 Gr					
Extended Total		100,000	\$ 1.2950	\$ 129,500			100000	\$1.3150	\$131,	
1 Grade #2 Diesel Fuel-Deliveries > 2,500 gailons but <6,000 gailons	7									
OPIS Chicago Index Low Rack	1 1150 Gallen				1 1150 G	allon				
Profit/Overhead	nollad COSti D				0 1500 G					
Total Cost/gallon (Net Taxes)	1 1950 Gallon				1,2650 Gr	allon			4	
Ext <u>end</u> ed fatal		100,000	\$ 1 1950	\$ 119,500			100000	\$1.2650	\$126,	
.2 Grade h2 Diesel Fuel-Deliveries >5,000 gallons										
OPIS Chicago Index Low Rack	1 1150 Gallen				1 1150 Ga					
Profit/Overhead	0.0450 Gallen				0 0565 Ga					
Total Cost/gallon (Net Taxes)	1,1600 Gallon	fanc non	1 160n *	116 000	1 1715 Ga	nton	100000	\$1,1715	\$117,	
Extended Total		\$100,000	\$ 1,1600 \$	- 20/1000	+	_	100000	AT'T17	911/,	
3 Winter Mixture, 30% & 70% Grad Deliveries <2,500 gallons	1,2447 Gallen				1,2388 (5)	llon				
OPIS Chicago Index Low Rack Profit/Overhead	0.1800 Gallan				0.2000 (38					
Total Cost/gallon (Net Taxes)	1.4247 Gollen				1 4388 Ga					
Extended Total		100000	\$ 1.4247	\$ 142,470	1		100,000	\$1.4388	\$143,	
4 Winter Mixture, 30% & 70% Grad Deliveries >2,500 gallons but <6,000										
OPIS Chicago Index Levy Rack	1 2442 Gallon				1 2389 Ga	llon				
Profit/Dverhead	0,0800 Gallen				0.1500 Ga					
Total Cost/gallon (Net Taxes)	1 3247 Gallen				1.3888 Ga					
Extended Total		100000	\$ 1.3247	\$ 132,470			100000	\$1.3888	\$138,	
5 Winter Mixture, 30% & 70% Grad Deliveries >5,000 gallons										
OAIS Chicago Index Low Rack	1 2447 Gallon				1 2388 Ga					
Profit/Gverhead	0.04S0 Gəlları				0.0565 Ga					
Potal Cost/gailon (Net Taxes)	1.2897 Gallon				1.2959 Ga	llon		A	A	
Extended Total		100000	\$ 1,2897	\$ 128,970	1		100000	\$1.2953	\$129,	

2020 Fuel RFP #198 Prices by Item

item	1	Al	Warren Oll	St. Marys Petroleum				
# Revised Schedule of Prices RFP #138 Annendum #1	s vom	\$ UOM Est. Quantity Unit Price Ext \$						
GPS Chicago Index Low Cack	1,5473 Gallor				1 S479 Gallor	1		
Profit/Overhead	0 1800 Galler				0.2000 Galler			
Total Cost/gallon (Net Taxes)	1.7273 Galion		4	4 400 000	1,7473 Gallor		44.7470	4474
Extended Total 17 Grade #1 Diesel Fuel Deliveries >2,500 gallons but <6,000 gallon		100,000	\$ 1.7273	\$ 172,730	-	100000	\$1.7473	\$174,7
OPIS Chicago Index Low Rack	1,5473 Gallen				1.5473 Gallo			
Profit/Overhead	0,0800 Gailon				0.1500 Gallo			
Intal Cost/gallon (Net Taxes)	1,6273 Gallon				1.6973 Gallor			
Extended Total		100000	\$ 1.6273	\$ 162,730		100000	\$1.6973	\$169.7
18 Grade #1 Diesel Fuel Deliveries >6,080 gallons								
OPIS Chicago Index Low Rack	1 5173 Gallon				1 5473 Gallor			
Profit/Overhead Fotal Cast/gailon (Net Faxes)	0 0450 Sallon 1 5923 Gailon				0 0565 Gallor			
LOUIS CUZIVENIUM MACE LANCOL	1 3323 (34)(3))	100,000	\$ 1.5923	\$ 159,230	1.6038 Gallor	100000	\$1,6038	\$160.3
19 £70 Ethanol Deliveries <2,500 gallons			,	,	-		•	
OPIS Chicago index Low Rack	1 3097 Gallon				1 3097 Gallon			
Profit/Overhead	0,1800 Gallon				0,2000 Gallor			
Total Cost/gallon (Not Taxes)	1 4897 Gallon				1 5097 Gallor			
Extended Total		100,000	\$ 1.4897	\$ 148,970		100000	\$1,5097	\$150,9
20 E70 Ethanol-Deliveries >2,500 gallons but <6,000 gailon					4 11 11 11			
OFIS Chicago Index Law Rack	1 3097 Gallon				1,3097 Gallor			
Profit/Overhead Fotal Cost/galling (Net Taxes)	0 0900 Gallon				1.4597 Gallon			
Extended Total	2007 Gellui	100,000	\$ 1.3897	\$ 138,970	124227 (38/01)	100000	\$1.4597	\$145,9
21 £70 £Usarol-Deliveries >6,080 gallons								
OPIS Chicago Index Low Rack	1,3097 Gallon				1 9097 Gallon			
Profit/Overhead	0.0450 Gallon				0,0565 Gallon			
fotal Cost/gallon (Net Taxes)	1,3547 Gallon				1.3652 Gallon			
Extended Total		100,000	\$ 1 3547	\$ 135,470		100000	\$1,3662	\$136,6
22 B2 Bio Diesel Fuel Deliveries < 2,500 gallons					"			
OPIS Chicago Index Low Reck Profit/Overhead	1.1410 Gallon				1,1410 Gallon 0,2000 Gallon			
Total Cost/gollon (Net Taxes)	0.1800 Gallon 1,3210 Gallon				1.3410 Gallon			
Extended Yotal	1,3220 Galloli	100,000	\$ 1,3210	\$ 132,100	1,3410 Gallon	100000	\$1.3410	\$134,10
23 B2 Sio Diesel Fuel Deliveries >2,500 gallons but <6.000 gallon		200,000	, , , , , ,	7,				-
OPIS Chicago Index Low Rack	1.1410 Gallon				1,1410 Gallon			
Profit/Overhead	0.0800 Gallon				0 1500 Gallon			
Total Cost/gallon (Net Taxes)	1,2210 Gailon				1,2910 Gallon			
Extended Total		100,000	\$ 1.2210	\$ 122,100		100000	\$1,2910	\$129,10
24 D2 Bio Diesei fuel Deliveries >6,000 gallon	11110 7 8							
OPIS Chicago Index Low Rack	1 1410 Gallon II 0450 Gallon				1 1410 Gallon 0 0565 Gallon			
Profit/Overhead Lotal Cost/gallon (Net Taxes)	1.1860 Gallon				1 1975 Gallon			
Extended Total	21,000 0,000	100,000	\$ 1,1860	\$ 118,600	2 3313 001011	100000	\$1.1975	\$119,75
25 BS Bio Diesel Fuel Deliveries <2,500 gailons								
OPIS Chicago Index Low Ruck	1 1364 Gallen				1 1364 Gallon			
Prolit/Overhead	0 1800 Galion				0 2000 Gallon			
Intal Cost/gallon (Net Taxes)	1,3164 Gallon				1.3364 Gallon			
Extended Total		100,000	\$1.3164	\$131,640		100000	\$1,3364	\$133,64
26-85 Blu Diezel Fuel Deliveries >2,500 gallons (but <6,000 gallon								
OPIS Chicago Index Low Rack	1,1364 Gallon				1 1364 Gallon 0 1500 Gallon			
Profit/Overhead Total Cost/gallon (Net Taxes)	0 0800 Galleri 1 2164 Galleri				1 2864 Gallon			
Extended Total	1 4204 Classiff	100,000	1.2164	\$121.640	Tollan Pubs 1	100000	\$1,2864	\$128,64
27 85 Blo Diesel Lord Deliveries >6,000 gallon								
OPIS Chicago Index Low Rack	1 1364 Gallon				1 1364 Gallon			
Profit/Overhead	0.0450 Gallon				0.0565 Gallon			
Total Cost/gallon (Net Taxes)	1 SR14 Gallon				1.1929 Gallon			
Extended Total		100,000	1.1814	\$118,140		100000	\$1,1929	\$119,29
8 R11 Bin Diesel Fuel Deliveries <2,500 gallons								
OPIS Chicago Index Low Rack	1 1364 Gallon				1 1364 Gallon			
Profit/Overhead Total Cost/gallon (Net Taxos)	0 1200 Callon 1 3164 Gallon				0,2089 Gallon 1 3364 Gallon			
Extended Total	7 3 204 (1810))	100,000	\$1,3164	\$131,640	1 3304 0811011	100000	\$1,3364	\$133,64
9 811 Bio Diocel Fuei Deliveries >2,500 gallons but <6,000 gallon			***************************************	,,				
OPIS Chicago Index Low Rack	1 1354 Gallon				1 1364 Gallon			
Profit/Overhead	0 0000 Gallon				0.1500 Gallon			
Total Cost/gallon (Net Taxes)	1.2164 Gallon				1 2864 Gallon			
Extended Total		100,000	1.2164	\$121,640		100000	\$1.2864	\$128,64
O U.1 Bir Diesel Fuel Deliveries >6,000 gallon								
OPIS Chicago bulez Low Rack	1. 1364 Gallon				1 1364 Gallon			
Profit/Overhead	0 0450 Gallon				0 0565 Gallon			
Total Cost/guillon (Net Taxes) Extended Total	1 1814 Galton	100,000	1,1814	\$118,140	1 1929 Gallon	100000	\$1,1929	\$119,29
EUROPEAN LAND		****	PADAGA	W0,170		-40000	7-12-63	4-0-16-3

2020 Fuel RFP #198 Prices by Item

tem # Revised Schedule of Prices RFP #198 Annendum #3	Al Warren Oil					St. Marys Petroleum				
	\$	MOU	Est. Quanti	Unit Price	Ent \$	s uom	Est. Quantity	Unit Price	Ext \$	
Proitt/Overhead	0 1800	Gallon				0 2000 Gailon				
Total Cost/gallon (Net Taxes)	7.3164	Gallon				1 3364 Gallon				
Extended Fotal			100,000	\$1,3164	\$131,640		100000	\$1,3364	\$133,640	
32 620 Bio Diesel Fuel Deliveries >2,500 gallions but <6,000 gallion										
OPiS Chicago index Low Rack	1 1364	Gallan				1 1364 Gallon				
Profit/Overhead	0.0800	Gallon				0.1500 Gallon				
Total Cost/gullon (Net Taxes)	1 2164 (Gallon				1 2864 Gallon				
Extended Yotal			100,000	1.2164	\$121,640		100000	\$1,2864	\$128,640	
33 820 Nio Diesal Firel Deliveries >6,000 gallon										
OPIS Chicago Index Low Rack	1 (364)	Gallon				1 t364 Gallon				
Profit/Overhead	0.0450 (Gallon				0.0565 Gallon				
Total Cost/galion (Net Taxes)	1 1814 (Gallon				1 1929 Gallon				
Extended Total			100,000	1.1814	\$118,140		100000	\$1,1929	119290	
GRAND TOTAL					\$4,596,760				\$4,587,351	

No additional delivery freight fee charge for < 1,000 gallins. St. Murys Petroleum states the maximum rebate provided will be 015 cents per gallon purchased, for example .005% will be 0.15 cents per gallon parchased, for exam overage price of fuel at 5.1.00 per gallon versus SPC stated fuel rebate is 5% on all purchases Gallons less than 1,000 charges:
0.150 \$ 80 margin plus \$100
15.1-200 80 margin plus \$75
201-400 \$5 margin

401-600,35

601 1000 25