



Council Report

Report Number:	PUR2021-012
Meeting Date:	April 20, 2021
Title:	Request for Tender 2021-08-ITT Co-Operative Purchase for Supply and Delivery of Unleaded Gasoline and Diesel Fuel
Author and Title:	Kristy Wilson, Junior Buyer

Recommendation(s):

That Report PUR2021-012, **Request for Tender 2021-08-ITT Co-Op for Supply and Delivery of Unleaded Gasoline and Diesel Fuel**, be received;

That W.O. Stinson & Son Limited, being the highest scoring proponent, be selected for the award of 2021-08-ITT Supply and Delivery of Unleaded Gasoline and Diesel Fuel to City locations, based on the Toronto Rack Price in effect on March 4, 2021 plus Federal Excise Tax, Provincial Fuel Tax and Carbon Tax, with a estimated annual cost of \$1,997,363.90 (exclusive of HST).

That the City enter into one (1) - five (5) year optional , based on contract terms and conditions, annual budget approval, mutual agreement and successful completion of the initial five (5) year term;

That subject to receipt of the required documents, the Mayor and Clerk be authorized to execute the agreement to award the contract; **and**

That subject to the receipt of the required documents, the Procurement Division be authorized to issue a Purchase Order to W.O. Stinson & Son Limited for each operating years commencing June 1, 2021.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

The City of Kawartha Lakes participated in the Kawartha Co-operative Purchasing Group (Trent University, Peterborough Utilities Services, Fleming College, City of Peterborough, City of Kawartha Lakes and the County of Peterborough along with some of its townships) opportunity for the Supply and Delivery of Unleaded Gasoline, clear and coloured diesel fuel. Participating in this opportunity allowed the City to get the best price and gain economy of scale.

The Tender requested prospective bidders to separate the cost of supply from the cost of delivery. It further requested that pricing for delivery be provided by member agency. This was to ensure that one agency did not subsidize the delivery costs for another.

The Co-operative Tender was issued on February 2, 2021 on The City of Peterborough's Bids & Tenders website. The Tender closed on March 11, 2021 at the City of Peterborough. Six (6) submissions were received from:

Company Name
Durham Fuels
Imperial Oil
McDougall Energy Inc.
Suncor Energy Products Partnership
T.B.G Fuels Ltd.
W.O. Stinson & Sons Limited

The submissions were reviewed by the Purchasing Administrator and participating KCPG members.

Submissions were evaluated based on the Tender document with W.O Stinson & Sons Limited being the lowest compliant bid. References were checked during the process with no issues identified.

Rationale:

Staff recommends that W.O Stinson & Sons Limited, being the compliant bid, be awarded Request for Tender 2021-22-ITT Supply and Delivery of Unleaded Gasoline and Diesel Fuel for the annual cost of \$1,997,363.90 (exclusive of HST). The portion of the cost related to supply will fluctuate, based on the daily rack price recorded on the actual date of delivery. The delivery cost will remain constant for the term of the contract.

Other Alternatives Considered:

No other alternative is being considered as the recommendation to award was achieved through an open, fair and transparent competitive procurement process.

[illegible]

Chart 2 – Delivery Costs from W.O. Stinson & Sons Limited

The cost for delivery shall remain firm for the five (5) year contract.

Fuel Type	Total Estimated Cost for Delivery Per Litre	Total Estimated Yearly Usage All Types (Litres)	Estimated Yearly Delivery Cost
Regular Unleaded	\$0.3051	745,000	\$227,299.50
Clear Diesel	\$0.2441	839,000	\$204,799.90
Dyed Diesel	\$0.0825	199,500	\$16,458.75
All			\$448,558.15

Chart 3 – Supply and Delivery

Chart 3 provides the summary of the estimated annual cost (exclusive of HST) for the supply and delivery of all fuel to the City of Kawartha Lakes.

Estimated Cost for Supply all Fuel Types (Exclusive of HST)	Estimated Cost of Delivery all Fuel Types (Exclusive of HST)	Total Estimated Cost for Supply and Delivery (Exclusive of HST)
\$1,548,8058.75	\$448,558.15	\$1,997,363.90

Consultations:

Kawartha Cooperative Purchasing Group

Department Head email: brobinson@kawarthalakes.ca

Department Head: Bryan Robinson

Department File: 2021-08-ITT