



Item.....
Meeting..... 2015 Jan 19

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2015 January 14

FROM: DIRECTOR FINANCE **FILE:** 5820-20

SUBJECT: CONTRACT EXTENSION - FUEL PRODUCTS

PURPOSE: To obtain approval for a one year contract extension for the supply and delivery of gasoline, diesel, bio-diesel and related fuel products.

RECOMMENDATION:

1. **THAT** Council approve a one year contract extension for the supply and delivery of fuel products with Chevron Canada Ltd. for a total estimated cost of \$3,350,000 including GST in the amount of \$167,500. Final payment will be based on actual delivered quantities and quoted unit pricing.

REPORT

The City of Vancouver issued a Request for Proposal on behalf of the British Columbia Petroleum Product Buying Group ("BCPPBG"), of which Burnaby is a member. The BCPPBG is comprised of approximately 71 regional and municipal governments and school board member organizations, which in total purchase approximately 36 million litres of fuel products annually.

On 2011 November 23, Council awarded a three year contract (2011 December 14 to 2014 December 13) to Chevron Canada Ltd. with a provision for up to two additional one year periods to a maximum of five years. This recommendation is for the first contract extension for the period 2014 December 14 to 2015 December 13.

Chevron Canada Ltd. has a proven record in supplying gasoline, diesel, bio-diesel and related fuel products to the City for the past fifteen years. The City has found their prices competitive and reflective of the current market conditions. City staff has reviewed the provision of service and concur with the BCPPBG recommendation to extend the Chevron Canada Ltd. contract for one year.

Funding for this project is included in the 2015 – 2019 Provisional Financial Plan.

A handwritten signature in blue ink, appearing to read "Denise Jorgenson".

Denise Jorgenson
DIRECTOR FINANCE

GC:SL/ts

cc: Director Engineering