

Memorandum



CITY OF DALLAS

DATE March 21, 2025

TO Honorable Mayor and Members of the Government Performance and Financial Management Committee: Chad West (Chair), Paula Blackmon (Vice Chair), Cara Mendelsohn, Jesse Moreno, Jaime Resendez

SUBJECT **Upcoming Agenda Item #25-845A for March 26, 2025: Authorize a five-year master agreement, with two, one-year renewal options, for the purchase of unleaded and diesel motor fuels for the Department of Equipment and Fleet Management.**

On Wednesday, March 26, 2025, there will be an agenda item for your consideration to authorize a five-year master agreement, with two, one-year renewal options, for the purchase of unleaded and diesel motor fuels totaling \$80,483,118.70.

This Master Agreement establishes the terms for the procurement of unleaded and diesel motor fuels for the Department of Equipment and Fleet Management. It enables the City to acquire a range of fuel types for its fleet, including unleaded gasoline, Texas low-emission diesel, bio-diesel, super unleaded 93 octane, and red dye diesel. All fuel purchases under this agreement will be priced based on a +/- adder to Platts' indices.

Platts' indices provide current fuel price updates for specific regions and are internationally recognized as a reliable and comprehensive benchmark for fuel pricing.

The agreement encompasses the procurement of the following fuel types:

- Unleaded gasoline – Utilized in passenger vehicles, squad cars, and light-duty trucks.
- Super unleaded gasoline (93 octane) – Designated for police motorcycles.
- Diesel fuel – Used in fire apparatus and select heavy-duty vehicles.
- Bio-diesel fuel – Applied in the sanitation fleet and other heavy-duty vehicles.
- Red dye diesel – Reserved for off-road vehicles operating at landfill sites.

This agreement includes 10 awarded vendors with primary, secondary and tertiary awards for each vendor. If the primary vendor is unable to fulfill an order due to supply shortages, logistical challenges, or other unforeseen circumstances, the secondary and tertiary vendors provide backup options to ensure uninterrupted service. This tiered approach enhances reliability, cost-effectiveness, and operational efficiency within the master agreement framework.

The Equipment and Fleet Management Department will oversee vendor utilization based on each vendor's specialization, demand, and capacity, ensuring services are assigned efficiently through project-specific work orders.

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Should you have questions or need additional information please contact Vincent Olsen, vincent.olsen@dallas.gov, Director (I) Department of Equipment and Fleet Management.

Service First, Now!



Donzell Gipson
Assistant City Manager

c: Kimberly Bizer Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
Robin Bentley, Assistant City Manager
Jack Ireland, Chief Financial Officer
Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I)
Directors and Assistant Directors