

**Agenda Item Title: North Georgia Fuel Cooperative (BL113-20) Contract Extension Approval, Year 1 of 4**

**Presented by: (Quick Summary Abstract):**

Mr. Richard Boyd, Interim Chief Operations Officer, Operations Division

**Requested Action:**

It is requested that the Board of Education approve the purchase of diesel and gasoline fuel from **James River Solutions, LLC** as the primary supplier, **Petroleum Traders Corporation** as the secondary supplier, and **Colonial Oil Industries, Inc.** as the tertiary, supplier through the North Georgia Fuel Cooperative (BL113-20) in an amount not-to-exceed \$3,800,000.00 for the 2022 fiscal year.

**Rationale:**

The District is requesting to purchase diesel and gasoline fuel utilizing the buying power of the North Georgia Fuel Cooperative. On December 9<sup>th</sup>, 2020, the DeKalb Board of Education approved the use of this Cooperative Agreement. This request is for the approval of a six-month extension ending on February 28, 2022.

**Details:**

Pursuant to Board Policy DJE C3 (c), Exception to Competitive selection, the Purchasing Department is authorized to make purchases through contracts formally solicited and obtained by the State of Georgia and through "inter-governmental and educational cooperatives, alliances, and consortiums to achieve cost savings and administrative efficiencies based on economies scale".

As such, the North Georgia Fuel Cooperative (NGFC) agreement is the result of several entities combining their fuel requirements to obtain advantages of high volume purchases, including administrative savings and other benefits. It was formed with the specific purpose of purchasing fuels at very high volumes to obtain the best discount and lowest pricing. This renewal is the first of the four (4) year contract.

The North Georgia Fuel Cooperative bid was approved on December 9<sup>th</sup>, 2020 by Gwinnett County Board of Commissioners, who acted as the Principal Procurement Agency for the North Georgia Fuel Cooperative. On February 2<sup>nd</sup>, 2021, the Gwinnett County Board of Commissioners approved a renewal of the contract for FY2022. The renewal contract dates are March 1<sup>st</sup>, 2021 through February 28<sup>th</sup>, 2022.

This bid was formally solicited and awarded to **James River Solutions, LLC** as the primary supplier, and **Petroleum Traders Corporation** as the secondary. These entities are all approved vendors of the North Georgia Fuel Cooperative. In the event the primary supplier is unable to fulfill their services or cannot provide services, the second and/or third supplier may be used. This allows the District to perform services without impeding the process due lack of availability by any one vendor.

**Summary:**

The use of the North Georgia Fuel Cooperative increases economies of scale and administrative costs resulting in efficiencies in regards to reduced unit costs as well as administrative oversight. Using the buying power of the NGFC to purchase fuel will result in the lowest cost to the district.

**Financial Impact:**

This purchase in an amount not-to-exceed \$3,800,000.00 will be charged to the General Operations Energy fund code: 100.2700.562000.00011.7190.1320.8013.040.0000.

**Contacts:**

Mr. Richard Boyd, Interim Chief Operations Officer, Operations Division, 678.676.1446  
Cedric A. Burse, Director; Fleet and Special Transportation Operations Department, Division of Operations, 678.676.1385

**Supporting Documents (list and attach to recommendation):**

- 1) Chronology
- 2) Notice of Award Letter(s) – Bid BL113-20

**On-line Documentation (Specify URL):**

**Goals:**

- Strategic Goal Area 1. Student Success with Equity and Access**
- Strategic Goal Area 2. Stakeholder Engagement**
- Strategic Goal Area 3. Staff Efficacy and Excellence**
- Strategic Goal Area 4. Internal and External Communication**
- Strategic Goal Area 5. Organizational Effectiveness and Efficiency**

**AdvancED Standards:**

~~Standard 1: Purpose and Direction~~

~~Standard 2: Governance and Leadership~~

~~Standard 3: Teaching and Assessing for Learning~~

~~Standard 4: Resources and Support Systems~~

Standard 5: Using Results for Continuous Improvement

**Status:**

Approved by General Counsel

**Implementation Date:**

Upon Board Approval



February 2, 2021

James River Solutions  
Attn: Tracy Little  
10487 Lakeridge Parkway, Suite 100  
Ashland, VA 23005  
Email: bbailey@jrpenenergy.com

**RE: NOTICE OF AWARD – BL113-20, Purchase of Gasoline and Diesel Fuel on an Annual Contract; GCID# 20210160**

Dear Ms. Little:

The Board of Commissioners at its Tuesday, February 2, 2021 meeting approved your company as one of the successful suppliers for bid, BL113-20, Purchase of Gasoline and Diesel Fuel on an Annual Contract in the amount of \$13,650,000.00. Please note the enclosed tabulation.

The contract dates will be March 1, 2021 through February 28, 2022. Please reference the above bid number on all invoices and correspondence regarding this award.

Sincerely,

A handwritten signature in black ink that reads "Marlo Dial".

Marlo Dial, CPPB  
Purchasing Associate III

MD/bc

Enclosure

c: Wanda Cain, Department of Support Services  
Holly Day, Department of Support Services  
Miria Gamble, Department of Support Services



February 2, 2021

**AWARD NOTICE**  
**BL113-20**  
**Purchase of Gasoline and Diesel Fuel on an Annual Contract**

Pursuant to the bids received on December 3, 2020 for BL113-20, Purchase of Gasoline and Diesel Fuel on an Annual Contract the bid has been awarded to James River Solutions; Colonial Oil Industries, Inc., and Petroleum Traders Corporation in the amount of \$13,650,000.00. Please note the enclosed bid tabulation.

We appreciate your bids and interest in Gwinnett County.

Sincerely,

A handwritten signature in black ink that reads "Marlo Dial".

Marlo Dial, CPPB  
Purchasing Associate III

MD/bc

Enclosure

## **CHRONOLOGY OF THE AGENDA ITEM**

In accordance with the District's Strategic Plan and Board Policy DJE C3 (c), Exception to Competitive selection, the purchase of fuel both diesel and unleaded gasoline through the purchasing power of the North Georgia Fuel Cooperative reduces cost to the District.

The North Georgia Fuel Cooperative was approved on December 9<sup>th</sup> 2020 by Gwinnett County Board of Commissioners, who acted as the Principal Procurement Agency for the North Georgia Fuel Cooperative. The first renewal dates occur on March 1<sup>st</sup>, 2021 and run through February 28<sup>th</sup>, 2022. The NGFC was formed with the specific purpose of purchasing fuels at very high volumes to obtain the best discount and lowest pricing. The use of the North Georgia Fuel Cooperative increases economies of scale and administrative costs resulting in efficiencies in regards to reduced unit costs as well as administrative oversight. Using the buying power of the NGFC to purchase fuel will result in the lowest cost to the district.

This is the first year of a four (4) year contract. Using the buying power of the NGFC to purchase fuel will result in the lowest cost to the district.