

AGENDA ITEM SUMMARY

Meeting Date:	JULY 17, 2019
Agenda Category:	CONSENT BUSINESS
Agenda Item Number:	10 B
Subject:	BULK OIL PURCHASING AGREEMENT (PUBLIC WORKS DEPARTMENT)
Attachments:	Memorandum; quotes
Staff Contact:	Public Works Director Poole
Background:	The Fleet Maintenance Division of the Public Works Department uses oil products for the City's vehicles. Three quotes have been obtained, with Fleetwing Corporation submitting the lowest bid in the amount of \$15,683.41 per year. If approved, the term of the agreement will be for three years.
Reference:	
Suggested Action:	Approve the three-year bulk oil purchase agreement with Fleetwing Corporation in the amount of \$15,683.41 per year

MEMO

To Dr. Brenda Fettrow, City Manager
From: C. Kenneth Poole, Public Works Director
RE: Bulk Oil Agreement
Date: June 13, 2019

CKP
*recommend
to go to
Council.
Dr. Fettrow
6/17/2019*

Attached are three quotes from Fleetwing Corporation, Watkins Oil, and Glover Oil Company containing the oil products that are used in the Fleet Maintenance Division.

Fleetwing Corporation – \$15,683.41 per year

Watkins Oil - \$17,055.98 per year

Glover Oil Company - \$18,690.54 per year

I recommend Fleetwing be awarded the contract for 3 years.

Thursday, June 13, 2019

Oil in Bulk - Purchasing

Purchases - April 1, 2018 to March 31, 2019
Cost for Each Vendor

	Fleetwing	Watkins Oil	Glover Oil
Oil (Bulk) 5W30 - per Gallon	5.012	5.980	7.830
Oil (Bulk) 15W40 - per Gallon	8.170	8.500	7.340
ATF - Multipurpose - per Gallon	8.400	6.110	9.030
Hydraulic Fluid - 68 - per Gallon	4.676	5.590	6.850
DEF Fluid	1.770	1.970	1.890
Tanks	Fleetwing	Sunshine State	Glover Oil
Cost of Four (4) 275 Gallon Tank	Current Vendor	Purchase Tanks	Purchase Tanks
Oil Pumps 5:1 New - Four (4)	\$0.00	\$11,104.72	\$3,160.00
	\$0.00	\$0.00	\$2,000.00
Total Cost of Replacing Tanks	\$0.00	\$11,104.72	\$5,160.00

Fleet wing	Fleetwing	Watkins Oil	Watkins Oil	Glover Oil	Glover Oil
450	2,255.400	450	2,691.000	450	3,523.500
706	5,768.020	706	6,001.000	706	5,182.040
165	1,386.000	165	1,008.150	165	1,489.950
967	4,521.692	967	5,405.530	967	6,623.950
990	1,752.300	990	1,950.300	990	1,871.100
	\$15,683.41		\$17,055.98		\$18,690.54
Tank Purchase	\$0.00		\$11,104.72		\$5,160.00
TOTAL	\$15,683.41		\$28,160.70		\$23,850.54



PETROLEUM PRODUCTS

742 South Combee Road, Lakeland Fl 33801
(863) 665-7557

LOAN NO: 4988

ACCOUNT NO: 1472

EQUIPMENT LOAN AGREEMENT

THIS AGREEMENT made this 6th day of JUNE, 2019, between **FLEETWING CORPORATION**, a Florida corporation, with its principal office at 742 South Combee Road, Lakeland, Florida, (hereinafter called "Fleetwing") and **CITY OF ROCKLEDGE**, with its Corporate Headquarters located at **1600 HUNTINGTON LANE, ROCKLEDGE, FL**, (hereinafter called "Customer").

WITNESSETH:

WHEREAS, Customer currently or will in the future purchase petroleum products from Fleetwing and has requested Fleetwing to loan Customer certain equipment for the storage and distribution thereof, and

WHEREAS, Fleetwing has consented to loan such equipment to Customer for exclusive use in Customer's business upon the terms and conditions hereinafter mentioned.

WHEREAS, Customer agrees to continue to use Fleetwing Corporation for product and services for up to one year from the date of delivery of new equipment at each site.

NOW, THEREFORE, in consideration of the foregoing and Customer's exclusive purchase and use of Fleetwing supplied petroleum products, Fleetwing does hereby agree to loan to Customer for use at the location occupied by Customer at (physical address) **1400 GARDEN ROAD, ROCKLEDGE, Florida** following described equipment (the "Equipment"), receipt of which is hereby acknowledged by Customer.

TERMS, once executed, the Agreement is valid for a period of three (3) years, unless terminated by either party pursuant to the terms and conditions herein.

Additional tanks and equipment accessories may be added to this agreement from time to time. By executing this agreement, the customer hereby acknowledges and gives permission to Fleetwing to add additional equipment to this agreement to Exhibit A which is attached hereto:

<u>TANK ID#</u>	<u>DESCRIPTION OF EQUIPMENT</u>	<u>PURPOSE</u>	<u>DATE</u>
TK-1903	500 Gallon tank	Waste oil	
TK-1561	275 Gallon oblong tank	5W30	
TK-	275 Gallon oblong tank	15W40	
TK-	275 Gallon oblong tank	ATF D/M	
TK-	275 Gallon oblong tank	Hydraulic fluid	
P-	Oil pump		
P-	Oil pump		
P-	Oil pump		
P-	Oil pump		
CM-	Control meter		
CM-	Control meter		
CM-	Control meter		
CM-	Control meter		
P-3091	Fireball Pump Air Regulator	Grease	

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT:

This Agreement shall remain in full force and effect so long as Fleetwing is the exclusive supplier of petroleum products to the Customer. At such time as Fleetwing ceases to be the exclusive supplier of petroleum products to the Customer, then this Agreement shall terminate and become null and void, except for the indemnification set forth below.

During the time that this Agreement remains in effect, the Equipment shall at all times be and remain the sole and exclusive property of Fleetwing, and Customer shall have no right, title or interest in the Equipment except as expressly set forth in this Agreement.

In the event that Customer uses the Equipment to store or make distribution of petroleum products other than those petroleum products supplied by Fleetwing without Fleetwing's prior written consent, the customer is in automatic default of this agreement. Customer will agree to pay for cleaning, repair, and full replacement cost of equipment within 20 Days from a demand of Fleetwing. Fleetwing shall and all times retain the rights to the equipment. Fleetwing shall have the right to pick up the equipment immediately and without notice.

Customer shall use the Equipment only for its intended use, as described above, in a careful and proper manner and shall comply with all federal, state, county and municipal laws and ordinances, and all rules of any duly constituted authority, present and future, affecting or respecting the use of the Equipment, including, but not limited to, all local, state and federal laws, ordinances, rules, regulations and orders relating to industrial hygiene, environmental protection, or the use, distribution, storage, disposal or transportation of petroleum products and other hazardous substances. Customer shall indemnify, defend and hold harmless Fleetwing, and Fleetwing's shareholders, directors, officers, independent contractors, employees, agents and attorneys and each of them, and their respective heirs, devisees, personal representatives, successors and assigns, from and against any and all claims, demands, actions, causes of action, administrative proceedings, damages, liabilities, penalties, fines, judgments, forfeitures, losses, costs and expenses (including, without limitation, reasonable attorneys' fees, consultants' fees, and experts' fees at the pretrial, trial and appellate levels and with respect to any administrative proceeding) for the death of or injury to any person or damage to any property whatsoever, including, without limitation, any property upon which the Equipment is located, and all lands adjacent to such property, arising from or caused, in whole or in part, directly or indirectly, by (i) any and all acts or omissions with respect to all or any part of the Equipment, whether negligent or otherwise and whether or not constituting any misuse of the Equipment, by any person or entity whomsoever except Fleetwing and its employees, contractors and agents; (ii) the failure of Customer to comply with the foregoing provisions of this paragraph; (iii) Customer's use, distribution, storage, disposal or transportation of any petroleum products or other hazardous substances; or (iv) Customer's failure to comply with any laws affecting petroleum products or any other hazardous substances. All of Customer's indemnity obligations hereunder shall survive any termination of this Agreement.

Customer's taking possession of the Equipment shall be deemed conclusive evidence that Customer has inspected the Equipment and each and every part thereof, and is satisfied that the Equipment, and each and every part thereof, is in good operating condition and repair. In the event that any problem whatsoever develops with respect to the Equipment at any time during that period that this Agreement remains in effect, Customer shall be obligated to immediately notify Fleetwing, and all consequences arising out of the failure of Customer to promptly notify Fleetwing of any problem with respect to the Equipment, or any part thereof, shall be the sole responsibility of Customer. Provided that Customer promptly notifies Fleetwing of any problem with respect to the Equipment, or any part thereof, then, for so long as this Agreement remains in effect, Fleetwing shall be responsible for performing any maintenance, and making any repairs or replacements, as shall be reasonably required in order to keep the Equipment, and each and every part thereof, in good working order and condition; provided, however, in the event any maintenance of, or repairs or replacements to, the Equipment, or any part thereof, results from any act or omission of any person or entity whomsoever except Fleetwing and its employees, contractors and agents, Customer shall be obligated to reimburse Fleetwing for all costs and expenses incurred in performing such maintenance, or making such repairs or replacements, upon receipt of Fleetwing's invoice to Customer. General maintenance of parts specifically hoses, nozzles, gauges and pumps shall be replaced at the Customer's expense from time to time throughout the term of this agreement.

Upon termination of this Agreement by cancellation or otherwise, Fleetwing shall have the right, at any time after the effective date of termination or cancellation, to entry upon Customer's premises for removal of all or any part of said Equipment, using such means for such purpose as Fleetwing deems suitable. Customer shall not remove said Equipment from the above-described premises without Fleetwing's written consent.

In the event that this Agreement shall be terminated by customer within ninety (90) days from date hereof, Fleetwing's verified expenses for delivery, installation, and removal of said. Equipment shall be paid by Customer to Fleetwing upon receipt of invoice to Customer.

Any other equipment which Fleetwing shall loan to Customer, whether in replacement of the above-described Equipment or otherwise, shall be subject to all the terms and conditions of this Agreement.

Either party may cancel this Agreement at any time by giving the other party at least thirty (30) days, written notice of the date of such cancellation is to become effective. Notice, as provided for herein, shall be considered as properly given as of the date of mailing if sent by either party hereto by certified mail, duly addressed to the other party at the address shown in the first paragraph of this Agreement.

Upon execution, this Agreement shall supersede and terminate any previous agreement or other instrument between the parties hereto, or their predecessors in interest, relating to the above-described Equipment or any thereof.

Faxed Signature. The parties acknowledge and confirm that the delivery of executed counterparts of the signature page of this Agreement via telephone facsimile transmission will be effective in the same manner as the delivery of manually executed counterparts of this agreement. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida. The provisions of this Agreement shall be binding upon Customer, and Customer's heirs, devisees, personal representatives, successors and assigns, and shall inure to the benefit of Fleetwing, and Fleetwing's successors and assigns.

Signature Page to Follow – This page is intentionally left blank

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their behalf on the date stated above.

In the presence of:

FLEETWING CORPORATION

Fleetwing Corporation: Mark

Title: Principal

Company Name: _____

By Its: _____

Name (sign): _____

Name (print): _____

LANDLORD'S CONSENT

The undersigned owner of the premises upon which the above-described Equipment is installed, for himself, his heirs, personal representatives, successors or assigns, expressly waives all rights to hold or levy upon said Equipment or any and all parts thereof and equipment used in connection there with, for rent or otherwise, and hereby agrees that said Equipment shall at all times be deemed personal property and may be removed by Fleetwing Corporation, or its or their representatives, at any time without notice to the undersigned.

NAME of Company Agent: _____

ADDRESS or Location of Equipment: _____