

CITY OF SMYRNA
PURCHASING DEPARTMENT
2800 KING STREET
SMYRNA, GEORGIA 30080
678-631-5406

TO: Frank Martin, Director – Public Works
Patten Smith, Fleet Maintenance Supervisor

FROM: Kelly Brown, Purchasing Manager

DATE: July 22, 2021

SUBJECT: Recommendation – Gasoline & Diesel Fuel Purchases

The City of Smyrna has been a member of the Gwinnett County Fuel Co-op with several other agencies since approximately 2012. At that time, Mansfield Oil was the awarded vendor. Gwinnett County awarded a new contract to primary contractor James River Solutions in February 2021 and since that time we have continued participation. Service, delivery, price, and billing consistency has continued to decline. Mansfield Oil has provided a solution on the Omnia Partners cooperative.

The Fuel Cost is based on the following formula:
(OPIS rate + Discount) + Freight = Price per Gallon

- Product
Diesel: OPIS Average **-\$0.0075**
Gas: OPIS Average **-\$0.0094**
- Freight Charges (Freight charges are a pass through under the OMNIA contract)
Estimated Freight – Diesel: \$0.0279/gallon
Gas: \$0.0239/gallon

Pump Fee: \$Cost
Split Fee: \$Cost
Min Freight: \$Cost

Example Cost Comparisons:

Mansfield Oil (Gainesville, GA)

Date		Qty/Gallons	OPIS	Discount	Freight	Price / Gal	Total
3/18/21	Diesel Fuel	6,015	2.0132	-0.0075	0.0279	2.0336	\$12,232.10
3/18/21	Gasoline	2,298	1.9931	-0.0094	0.0239	2.0076	\$4,613.46
4/1/21	Diesel Fuel	3,498	1.8534	-0.0075	0.0279	1.8738	\$6,554.55

James River Solutions (Richmond, VA)

Date		Qty/Gallons	OPIS	Discount	Freight	Price / Gal	Total
3/18/21	Diesel Fuel	6,015	2.0132	-0.016	0.075	2.0718	\$12,461.88
3/18/21	Gasoline	2,298	1.9931	-0.023	0.128	2.0981	\$4,821.43
4/1/21	Diesel Fuel	3,498	1.8534	-0.016	0.0287	1.8661	\$6,527.62

Summary of benefits of transitioning to Omnia contract with Mansfield:

- Regain service level standards that Mansfield provided.
- Reduced freight charges.
 - Freight rates are a straight pass through to the customer without any kind of markup
- Access to multiple other products and product lines
 - DEF
 - Inventory Management/Automatic Dispatch
 - Fuel Cards
 - Fixed Price
 - Fuel Island Maintenance & Repair Services
 - Biofuels
 - FuelNet Online Delivery – Invoice Portal & more

It is the recommendation of Public Works, Fleet Maintenance and Purchasing that the city award the purchase of Gasoline & Diesel Fuel to Mansfield Oil. The city's annual spend for fuel purchases is approximately \$400,000.00.

Frank Martin

From: Kelly Brown
Sent: Thursday, July 22, 2021 11:38 AM
To: Frank Martin; Patten Smith
Subject: Recommendation for Gasoline & Diesel Fuel Purchases (Mansfield)
Attachments: Recommendation_Gasoline & Diesel Fuel Purchases.pdf

Please see attached Recommendation for Mansfield Oil (fuel purchases). Attorney is reviewing the agreement provided by Mansfield and hopefully should be complete by next Council meeting.
Let me know if you need any updates.
Thank you.

Kelly Brown, CPPB, NIGP-CPP

Purchasing Manager

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