

REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: September 14, 2026

FROM: Josh Russell, Public Works Director

SUBJECT: Review of Bids and Award of Contract for the Purchase of Diesel Fuel and Gasoline

INTRODUCTION:

The purpose of this agenda item is to approve a contract for the purchase of gasoline and diesel fuel for Town-owned vehicles and equipment. The contract will be for one (1) twelve-month period, with an option to renew for four (4) additional twelve-month periods.

BACKGROUND:

The Town uses approximately 200,000 gallons of gasoline and 160,000 gallons of diesel fuel each year for Town-owned vehicles and equipment. The fuel is stored in two 10,000-gallon underground tanks located at 615 East South Street. The Town typically places weekly orders of approximately 4,500 gallons of gasoline and 3,500 gallons of diesel fuel.

DISCUSSION:

A total of twenty-six (26) vendors were notified of the bid opportunity, and seven bids were received. Bids were opened on August 19, 2026. Gresham Petroleum Company submitted the lowest responsive bid and met all bid requirements. Under the bid, the Town's fuel price will be based on the applicable rack price at the time of delivery, plus the vendor's fixed markup. Gresham's markup is \$0.0176 per gallon for diesel fuel and \$0.0097 per gallon for gasoline. Fuel will be delivered to the Town's storage tanks at 615 East South Street as needed.

Staff recommends awarding the contract to Gresham Petroleum Company for an initial twelve-month period, with the option to renew for four additional twelve-month periods. A copy of the bid evaluation and proposed contract is attached to this report for reference.

BUDGET IMPACT:

Fuel is an inventory item and is charged to each Department as it is used. Each Department budgets separately for fuel.

ATTACHMENTS:

[Fuel Contract.pdf](#)
[Fuel Bid Evaluation.pdf](#)

PROPOSED MOTION:

To award the contract for the purchase of fuel for Town-owned vehicles and equipment to Gresham Petroleum Company at the applicable rack price plus a fixed rate of profit/overhead of \$0.0097 per gallon for gasoline and \$0.0176 per gallon for diesel fuel.

Board Action: Motion By _____ Seconded By _____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						