



ITEM ID: 2026-115-0

TRANSMITTAL DATE: January 16, 2026

MEETING DATE: January 23, 2026

TO: Board of Directors

FROM: Tom Schamber, Chief Financial Officer

SUBJECT: Contract Nos. PO1011A-26, PO1011B-26, PO1011C-26, and PO1011D-26 - Oils, Coolants, and Lubricants - Recommendation to Award - AAA Oil, Inc, Blue Angel International LLC, Hasco Oil Company, and XTT Life, LLC.

Issue

The Authority requires a range of oils, coolants, and lubricants to operate and maintain its fleet of locomotives.

Recommendation

It is recommended that the Board authorize the Chief Executive Officer to award the following contracts with their respective not-to-exceed contract authority (total for the base and option periods):

1. Contract No. PO1011A-26: AAA Oil, Inc - \$130,000
2. Contract No. PO1011B-26: Blue Angel International LLC - \$10,000
3. Contract No. PO1011C-26: Hasco Oil Company - \$1,300,000
4. Contract No. PO1011D-26: XTT Life, LLC - \$44,000

These contracts will have a base term of one-year, with a single one-year option that will be exercised at the sole discretion of the Chief Executive Officer if deemed to be in the Authority's best interest. This award is subject to resolution of any timely received protests.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through

transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. The oils, coolants, and lubricants that will be purchased under these contracts will allow the Authority to operate and maintain its fleet of locomotives in a state of good repair.

Background

The Authority's Locomotive Fleet's require oils, coolants, and lubricants to ensure that critical components, such as engines and air compressors, function properly. The oils, coolants, and lubricants in this Invitation for Bids (IFB) are all required to keep these critical components fully lubricated, which in turn helps increase the life of the components and improves the reliability of the Locomotives.

Discussion

On October 22, 2025, the Authority issued an Invitation for Bids (IFB) No. PO1011-26, seeking bids from qualified firms to provide locomotive oils and lubricants for the Authority's Fleet. The IFB was posted on the Authority's online solicitation portal and notifications were sent to 109 registered firms. The Authority also advertised the IFB in publications in the five member counties and in diversity newspapers. There were 27 prospective proposers. The Authority received and answered thirteen questions. Due to the diversity of the requested lubricants, it was determined to allow the Bidders to submit bids per line item, instead of an all-or-nothing bid.

The Authority received seven bids by the submission due date of December 2, 2025. Five bids were found to be responsive and responsible; two bids were found to be non-responsive. The five responsive bids were sent to the Project Manager for technical review of any alternate items and price. Based on the submitted bids it was determined to be in the best interest of the Authority to award this Contract to multiple bidders based on the individual line items as seen on the Table below:

LINE	SCRRA Part No	ICE	+ / -	AAA Oil, Inc.	Blue Angel International LLC	HASCO Oil Co. Inc	SC Commercial, LLC dba SC Fuels	XTT Life LLC
1	30-14000050	\$785,246.40	-4.46%		\$1,532,520	\$750,240	\$880,560	
2	30-22000266	\$384,476.40	-2.05%			\$376,600	not responsive for this item	
3	30-26007590	\$14,718.99	-85.80%		\$23,291.40	\$2,090		\$27,231.60
4	30-34206800	\$42,928.38	-86.79%		\$51,803.40	\$5,669.40		\$78,365.10
5	30-05111024	\$138,065.81	-22.02%	\$107,662.50	\$193,806.25		\$115,156.25	\$298,512.50
6	30-24100061	\$13,283.23	11.47%		\$22,030.80	\$14,807.10		\$29,285.85

7	30-34200125	\$5,121.53	59.62%		\$8,175.20			
8	30-26040269	\$22,136.30	73.82%		\$40,722			\$38,478

The Independent Cost Estimate (ICE) for this procurement was \$1,405,977.04. Some line items came in under the ICE while others were over. The accepted bids were 7.28% below the ICE and found to be fair and reasonable.

These Contracts are for as needed consumable products; therefore, staff is requesting a total not-to-exceed Contract Authorization of \$1,484,000.00 divided as listed above.

Budget Impact

The cost of the oils, coolants, and lubricants that will be purchased under these contracts will be covered by the Materials Management operating budget for Fiscal Years 2026 and 2027 for the base term, and Fiscal Years 2027 and 2028 for the option term if exercised. Expenditure of amounts for FY27 and FY28 are contingent upon budget adoption covering that period.

Next Steps

Upon Board approval, the Authority will execute contracts with AAA Oil, Inc., Blue Angel International LLC, Hasco Oil, and XTT Life, LLC. The Authority will place delivery orders for oils, coolants, and lubricants as needed, based on the fixed pricing included in the contracts.

Prepared by: Eduardo Tovar, Manager II, Inventory Control
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Approved by: Tom Schamber, Chief Financial Officer

Attachment(s)

[Presentation - Contract Nos. PO1011A-26 through PO1011D-26 - Oils, Coolants, and Lubricants](#)