



City of Apache Junction

Home of the Superstition Mountains

DATE: AUGUST 19, 2024

TO: MAYOR AND CITY COUNCIL MEMBERS

THROUGH: BRYANT POWELL, CITY MANAGER

FROM: TED WOLFF, PUBLIC WORKS DIRECTOR

SUBJECT: BULK FUEL AGREEMENT WITH SENERGY PETROLEUM, LLC

Summary

Before the council is an agreement between the City of Apache Junction and Senergy Petroleum, LLC, to provide bulk fuel for an initial term of August 2, 2024, through June 30, 2025, in an amount not to exceed \$840,000.00, utilizing the State Cooperative Contract No. CTR063147.

Background/Discussion

Beginning October 1, 2017, the city entered into a bulk fuel agreement with Southern Counties Oil Company. Via amendments to the original contract, that service relationship continued through December 31, 2023, at which time, lacking a formal contract, the delivery service moved to an informal month-to-month basis.

Staff determined that they would enter into a formal agreement with Senergy Petroleum, LLC, utilizing State Cooperative Contract No. CTR063147, and to maintain fuel supplies while the establishing the new contract, began their relationship with Senergy effective August 2, 2024, and received their first fuel delivery the week of August 6, 2024.

The term of the agreement will be retroactive from August 2, 2024, through the end of Fiscal Year 2025. The contract may be renewed by the parties for one year and the city can extend any of the one-year periods by 31 days should they so desire.

Recommendation

Staff respectfully recommends the council approve the agreement, retroactive to August 2, 2024, authorizing the city to contract with Senergy Petroleum, LLC for bulk fuel delivery.