



## CORPORATE SERVICES *Staff Report*

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REPORT NO: COR-2025-01

TO: Council

SUBMITTED BY: Greg Clark, Director of Corporate Services/CFO

PREPARED BY: Marzena Kutnik, Supervisor of Procurement and Payroll

REVIEWED BY: Greg Clark, Acting CAO

DATE: January 6, 2025

SUBJECT: Co-Op Contract for Supply of Gasoline and Diesel Fuel

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### RECOMMENDATION:

THAT Report COR-2025-01 Co-op Contract for Supply of Gasoline and Diesel Fuel be received for information, and;

THAT Council approve participation in the Grand River Co-op Purchasing (GRCPG) contract for supply and delivery of gasoline and fuel, for the period March 1, 2025, to February 28, 2030, with three (3), one (1) year renewal options.

### SUMMARY:

### BACKGROUND:

The Township is a participating member of the Read River Co-op Purchasing (GRCPG), represented by the Supervisor of Procurement. Participation on this co-operative buying group has granted the Township access to significant savings on the purchase of various municipal supplies and services.

As per the Procurement By-Law 2021-43, purchasing through co-operatives and/or joint contracts is encouraged when such purchases are in the best interests of the Township. Council approval is required if the Corporation's portion exceeds \$100,000 in value.

**REPORT:**

The Region of Waterloo, on behalf of the GRCPG, released T2024-189, and has selected Suncor Energy Products Partnership to supply unleaded, clear and dyed diesel for a period of five (5) year with five (5) consecutive, one (1) year renewal options. The GRCPG piggyback clause noted in tender documents allows participating members of the co-operative to join under the same terms and conditions outlined in the lead member contract.

The previous supplier contract, on which the Township also participated, was held by Suncor Energy Products. This new agreement continues to provide significant savings over direct retail purchasing of fuel. These savings will continue to be reflected in future budgets.

The terms of the contract provide a fixed discount from their base fuel costs, the total estimated cost for the first year are shown below based on fuel prices the week of October 19-25, 2024. Actual costs are adjusted weekly using the contracted discount.

Product	Annual Usage (L)	Fuel Unit Price (\$/L)	Total
E10 Regular Gasoline	35,000	\$1.1493	\$40,225.50
Diesel B ULS Clear	50,000	\$1.1499	\$57,495.00
Diesel B ULS Dyed	60,000	\$1.0599	\$63,594
		Total	\$161,314.50

**ALIGNMENT WITH THE TOWNSHIP OF WILMOT STRATEGIC PLAN:**

Financial Stability

**FINANCIAL CONSIDERATIONS:**

The new rates offered through this Regional Tender will be incorporated into the 2025 draft operating budget. The approximate annual total cost of fuel that Township purchases through co-op contract is between \$170,000- \$182,000.

Fuel prices are volatile, and membership in the co-operative purchasing group will limit the exposure to cost fluctuations over the long term.

**ATTACHMENTS:** None