



## AGENDA MEMORANDUM

Action Item for the City Council Meeting of December 5, 2023

**DATE:** December 5, 2023

**TO:** Peter Zanoni, City Manager

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### Motor Oil for Corpus Christi International Airport (CCIA) Quick Turn Around Facility

#### **CAPTION:**

Motion authorizing execution of a one-year supply agreement, with two one-year options, with Arnold Oil Company in an amount not to exceed \$98,000.00, and a potential amount up to \$294,000.00 if options are exercised, for motor oil to be utilized at Corpus Christi International Airport's Quick Turn Around Facility, with FY 2024 funding of \$89,833.33 from Airport Customer Facility Charge Fund.

#### **SUMMARY:**

Corpus Christi International Airport supplies rental car agencies with approximately 6,000 gallons of motor oil annually for their rental vehicles.

#### **BACKGROUND AND FINDINGS:**

Corpus Christi International Airport has five tenant rental car companies that operate seven brands out of the terminal. Total rental car transactions conducted at CCIA total approximately 57,000 per year.

Rental Car Agencies operating at CCIA also lease property at the quick turnaround facility (QTA) located northwest of the terminal building. At the QTA facility, tenants conduct routine maintenance and fueling operations including oil changes for their rental vehicles.

The QTA facility is directly managed by CCIA staff. In addition to leasing this space to the tenants, CCIA also earns revenue by providing fuel, motor oil, extended vehicle parking, maintenance bays, and car wash bays.

**PROCUREMENT DETAIL:**

Finance & Procurement conducted a competitive Request for Bid process to obtain bids for a new contract. The City received three bids; two responsive bids and one non-responsive. The staff is recommending the award to the best-value bidder, Arnold Oil Company, for providing the best overall price after a discount on retail pricing for the City.

**ALTERNATIVES:**

Rebid the request for bid.

**FISCAL IMPACT:**

Funding is budgeted in the FY24 operating budget - Fund 4632 – Airport CFC for the purchase of motor oil at the QTA-Quick Turn Around facility to support the needs of on-airport rental car companies.

**FUNDING DETAIL:**

Fund:	4632 – Airport CFC
Organization/Activity:	35065 – Airport Quick Turnaround Facility
Department:	53 - Aviation
Project # (CIP Only):	N/A
Account:	520210 – Cost of Goods Sold

**RECOMMENDATION:**

Staff recommends approval of this motion authorizing the execution of a one-year supply agreement, with two one-year options, with Arnold Oil Company as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Bid Tabulation  
Supply Agreement