

RESOLUTION NO. {{item.sequential\_number}}

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, AUTHORIZING A FIVE-YEAR CONTRACT WITH AVFUEL CORPORATION OF ANN ARBOR, MICHIGAN FOR THE SUPPLY OF AVIATION BULK FUELS AND OTHER BUSINESS SUPPORT SERVICES TO OPERATE AS THE EXCLUSIVE FUEL PROVIDER AT THE DRAUGHON-MILLER CENTRAL TEXAS REGIONAL AIRPORT IN THE ESTIMATED ANNUAL AMOUNT OF \$2,281,900; AND PROVIDING AN OPEN MEETINGS CLAUSE.

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**Whereas**, this five-year contract with Avfuel Corporation (Avfuel) will provide for the exclusive supply of aviation bulk fuels (Jet A fuel and 100 low lead [LL] fuel) and other business support services at the Draughon-Miller Central Texas Regional Airport;

**Whereas**, Request for Proposals No. 36-01-25 was issued to procure aviation bulk fuels and other related business support services - four proposals were received from AEG Fuels of Miami, Florida; Ascent Aviation Group, Inc. of Parish, New York; Avfuel; and Easter Aviation Fuels, Inc. d/b/a Titan Aviation Fuels of New Bern, North Carolina;

**Whereas**, an evaluation committee comprised of Airport, City Attorney's Office, and Finance Staff reviewed and scored proposals based on the stated evaluation criteria: experience, qualifications, and reputation of supplier; compliance with the City's desired wall system specifications and fulfillment with the City's training needs; vendor's compliance with order fulfillment specifications; availability of wall system; and pricing proposal - Staff determined that Avfuel will provide the best value for the City, as shown in the proposal tabulation, attached hereto and incorporated herein as Exhibit A;

**Whereas**, the recommended contract will include the following terms:

- Initial five-year contract term with the option to renew for four additional one-year periods;
- Avfuel will provide a new 1,200-gallon avgas truck at no cost to the City;
- Avfuel will provide a \$50,000 grant to the City for use at the Airport;
- Avfuel will cover the implementation cost of X-1FBO software and up to \$1,250 per month for the cost of the subscription;
- Avfuel will provide Scully overfill protection systems on the City-owned refueler trucks and aviation fuel storage facility;
- Avfuel will repaint both 1,000-gallon 100LL trucks with logo decals and product warning labels;
- Avfuel will provide a grant to the City, intended to assist in the design and construction of an additional 12,000 gallon fuel storage facility, or other aviation purpose at the City's discretion, at a cents-per-gallon fee;
- Avfuel will provide filters, filter changes, and annual meter calibrations for all refueler trucks and the fuel farm at no cost to the City;
- Avfuel will provide loaner refueler trucks as needed for \$0 per month for 90 days;
- Avfuel will provide marketing and advertising at no cost to the City;

- Avfuel will provide an online training system, in-person training, annual inspections, and regional quality assurance and fire safety seminars at no cost to the City;
- Avfuel will cover the City's participation in the National Business Aviation Association (NBAA) Schedulers & Dispatchers Conference annually for the term of the contract at no cost to the City;
- Avfuel will invoice the City for fuel based on a fuel pricing structure that includes the current Platts US Gulf Coast price plus associated taxes and the following fees per gallon:

Fee	Jet A Fuel	100LL (Avgas)
Fuel Differential	\$0.0359	\$0.8130
Freight Expense	\$0.1272	\$0.1068

- Avfuel will charge credit card processing fees for fuel as follows:

Card Type	Rate	Card Type	Rate
Avfuel Pro Card	0% Contract Fuel 0% Retail & Non-Fuel	Discover	3.20%
Avfuel Contract Fuel	0% Fuel 0% Non-Fuel	American Express	3.25%
Avfuel Retail Card	0% Avgas 0% Jet & Non-Fuel	MultiService	3.20%
MasterCard & Visa	2.10% Qualified 2.90% Non-Qualified	Avcard	2.50%
KHI Card	3.25%	Government AIRCard	0.00% Contracted 3.95% Non-Contracted

**Whereas**, the initial five-year contract term will end December 31, 2030, with the option to renew the contract for four additional one-year periods;

**Whereas**, at its January 13, 2025 meeting, the Airport Advisory Board voted [REDACTED] to [REDACTED] to recommend approval;

**Whereas**, Staff recommends Council authorize a five-year contract with Avfuel for the supply of aviation bulk fuels and other business support services to operate as the exclusive fuel provider at the Airport in the estimated annual amount of \$2,281,900;

**Whereas**, for Fiscal Year 2025, the Airport budgeted a total of \$2,281,900 for the purchase of aviation fuels - the budgeted amount includes \$1,900,700 for jet fuel within Account No. 110-3620-560-2710 and \$381,200 for avgas within Account No. 110-3620-560-2711;

**Whereas**, the anticipated revenue from fuel sales, net of discounts, is \$3,182,050 - in addition to fuel delivery, Avfuel will provide the Airport with capital improvements, technical assistance, employee training, and business support at no additional charge; and

**Whereas**, the City Council has considered the matter and deems it in the public interest to authorize this action.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPLE, TEXAS, THAT:**

**Part 1: Findings.** All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council of the City of Temple, Texas, and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

**Part 2:** The City Council authorizes a five-year contract with Avfuel Corporation of Ann Arbor, Michigan for the supply of aviation bulk fuels and other business support services to operate as the exclusive fuel provider at the Draughon-Miller Central Texas Regional Airport in the estimated annual amount of \$2,281,900, and authorizes the City Manager, or her designee, after approval as to form by the City Attorney's Office, to execute any necessary documents.

**Part 3:** It is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act.

PASSED AND APPROVED this the 16<sup>th</sup> day of **January, 2025.**

THE CITY OF TEMPLE, TEXAS

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TIMOTHY A. DAVIS, Mayor

ATTEST:

APPROVED AS TO FORM:

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Liz Caraway  
Deputy City Secretary

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Kathryn H. Davis  
City Attorney