



## Legislation Text

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**File #:** 18-0911, **Version:** 1

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Community Development Services, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign Agreement for Services 3104 with EPIC Aviation, LLC, for aviation fuel and support services for the Placerville and Georgetown Airports, effective upon final execution by both parties for a stated period of five years, starting July 20, 2018, and terminating on July 19, 2023, with a not-to-exceed amount of \$3,500,000, inclusive of all costs and expenses.

**FUNDING:** Airport Enterprise Funds - Fee Revenue for Placerville and Georgetown Airports.

**DEPARTMENT RECOMMENDATION:**

Community Development Services, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign Agreement for Services 3104 (Agreement 3104) with EPIC Aviation, LLC (EPIC Aviation), for aviation fuel and support services for the Placerville and Georgetown Airports, effective upon final execution by both parties for a stated period of five years, starting July 20, 2018, and terminating on July 19, 2023, with a not-to-exceed amount of \$3,500,000, inclusive of all costs and expenses.

**DISCUSSION / BACKGROUND**

The County of El Dorado is the owner and operator of two public airports, one located at 3501 Airport Road in Placerville, the Placerville Airport, and the other at 6241 Aerodrome Way in Georgetown, the Georgetown Airport, with operations and maintenance of these two Airports administered by the County's Community Development Services, Administration and Finance Division (CDS Administration). Included in this administrative oversight is the responsibility to secure aviation fuel for retail purchase at both Airports, along with a credit card program and point of sale system for accepting user payments on behalf of the County.

On May 7, 2013 (Item 5), the Board awarded Request for Proposals (RFP) 13-405-039 to EPIC Aviation, as the low qualified bidder, and authorized the Chair to sign an agreement for services for a five-year award period in the amount of \$2,260,000. The current agreement, Agreement for Services 539-O1311 (Agreement 539-O1311), between the County and EPIC Aviation, became effective on August 14, 2013, with a stated term of March 20, 2013, through March 19, 2018 (Attachment D).

In anticipation of the upcoming expiration of Agreement 539-O1311, CDS Administration submitted a Requisition for Competitive Solicitations to the Procurement and Contracts Division of the County's Chief Administrative Office (County Procurement) on January 2, 2018. In response, County Procurement issued RFP 18-405-029 on January 29, 2018 for aviation fuel and related services including, but not limited to, delivery of aviation fuel to both Airports, product identification, credit card programs, point of sale and credit card imprinter equipment programs, product integrity programs, training and manuals, self-serve equipment, software improvements and updates, and other considerations and incentives. Eleven proposal requests were mailed, with three qualified responses received by the required proposal opening date of February 28, 2018, namely Avfuel, EPIC Fuel (registered trademark of EPIC Aviation LLC), and World Fuel Services (no local vendors provide such fuel and support services).

Recognizing additional time was needed to complete the RFP award process, CDS Administration was able to secure Board approval on March 13, 2018 (Item 13), of the First Amendment to Agreement 539-O1311, thereby extending the current term by four additional months, from March 19 to July 19, 2018 (Attachment C). Also included in this Amendment were necessary contract administration and article updates.

On June 12, 2018 (Item 5), the Board approved the recommendation of County Procurement to award RFP 18-405-029 to EPIC Aviation of Salem, Oregon, as the low qualified proposer, and further authorized the Chair to execute an agreement for services in the amount of \$3,500,000 for a five-year period. The Board also made findings, in accordance with County Ordinance Chapter 3.13, that is was more feasible and economical to contract out these needed services, as CDS Administration does not possess the ability to perform aviation fuel distribution and related support services.

Agreement for Services 3104 for aviation fuel and support services (Agreement 3104), between the County and EPIC Aviation, is now attached for Board consideration (Attachment B). Once approved, this new Agreement will be effective upon final execution by both parties for a stated period of five years, from July 20, 2018, to July 19, 2023, with a not-to-exceed amount of \$3,500,000, inclusive of all costs and expenses. Approval of Agreement 3104 ensures there will be no lapse in aviation fuel and related support services at either Airport.

#### **ALTERNATIVES**

The Board could choose to:

- 1) Approve Agreement 3104, with a reduced not-to-exceed amount and/or a different term for services; or
- 2) Not approve Agreement 3104, resulting in a lapse in aviation fuel and related support services at both Airports, causing significant hardship to Airport users and a loss in fuel purchase revenue, until such time as a new RFP process can be conducted and a resulting award and contract found acceptable for approval.

#### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel and Risk Management approved Agreement 3104.

#### **CAO RECOMMENDATION**

It is recommended that the Board approve this item.

#### **FINANCIAL IMPACT**

There is no fiscal impact or Net County Cost associated with this agenda item. Sufficient funds have been budgeted in Fiscal Year 2018/2019, via the Airport Enterprise Funds - Fee revenue (representing proceeds from the sale of aviation fuel), and will be the same funding source used to provide for subsequent fiscal years through the term of Agreement 3104.

#### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) Clerk of the Board to obtain the Chair's signature on the two (2) original copies of Agreement 3104.
- 2) Clerk of the Board to return one (1) fully executed original copy of Agreement 3104 to CDS Administration, attention of Sherrie Busby, Administrative Services Officer, Operations Unit.

**STRATEGIC PLAN COMPONENT**

Effective Services, Public Safety, and Economic Development.

**CONTACT**

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