



## Legislation Text

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**File #:** 17-0040, **Version:** 1

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Chief Administrative Office, Procurement and Contracts Division, recommending the Board consider the following:

- 1) Waive competitive bidding requirements for the provision of commercial cardlock fueling services as authorized by ordinance section 3.12.160 (F);
- 2) Authorize the Chair to sign Agreement 364-S1711 with Hunt and Sons, Inc., in an amount not to exceed \$2,000,000 for the period of January 24, 2017 through January 23, 2019 to provide commercial cardlock fueling services for all County-owned vehicles; and
- 3) Authorize the Purchasing Agent to execute Amendments which do not affect the term or total not to exceed amount of the Agreement.

**FUNDING:** General and Non-General Fund.

### **DEPARTMENT RECOMMENDATION**

Chief Administrative Office, Procurement and Contracts Division, recommending the Board consider the following:

- 1) Waive competitive bidding requirements for the provision of commercial cardlock fueling services as authorized by ordinance section 3.12.160 (F); and
- 2) Authorize the Chair to sign Agreement No. 364-S1711 with Hunt and Sons, Inc., in an amount not to exceed \$2,000,000 for the period of January 24, 2017 through January 23, 2019 to provide commercial cardlock fueling services for all County-owned vehicles; and
- 3) Authorize the Purchasing Agent to execute Amendments which do not affect the term or total not to exceed amount of the Agreement.

### **DISCUSSION / BACKGROUND**

On January 25, 2005, item #57, the Board awarded Request for Proposal #05-405-016 for the provision of an off-site cardlock fueling system to the sole respondent Hunt & Sons, Inc. who was then and is currently the only vendor that manages the majority of local and greater Sacramento area commercial cardlock fueling sites.

This program has been very successful and convenient for the majority of employees who are required to travel in the course of their work, specifically law enforcement. The County Purchasing Ordinance authorizes an exemption from competitive bidding when the successful bidder from the last solicitation agrees to extend the contract at the same price and terms as the original bid and when the extension makes good business sense. Hunt & Sons, Inc. has agreed to enter into a new two (2) year agreement under the same terms and conditions as the previous agreement including the formula for determining cost per gallon, prompt payment discounts, invoicing requirements, etc. all of which are detailed in the attached agreement. In addition, staff has researched the market for these services and has concluded that Hunt & Sons is the only viable vendor to provide these services to the County.

The Board is being asked to make findings that it is more economical and feasible to contract out for fueling services for the following reasons:

- 1) Avoids Capital investment necessary to build and maintain its own fueling sites in compliance with current and future environmental requirements.
- 2) Large number of fueling locations (local & state-wide) makes re-fueling more efficient than if all vehicles had to refuel at one or two central County facilities.

The current fueling site located in the Department of Transportation's fleet yard only dispenses diesel fuel for heavy equipment and trucks.

**ALTERNATIVES**

N/A

**OTHER DEPARTMENT / AGENCY INVOLVEMENT**

N/A

**CAO RECOMMENDATION**

Approve as recommended.

**FINANCIAL IMPACT**

There is no change in Net County Cost. Funding for these services is budgeted in each requesting department.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

Following Board approval, the Clerk of the Board will return one fully executed original to Procurement & Contracts for distribution and administration.

**STRATEGIC PLAN COMPONENT**

N/A

**CONTACT**

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