

Legislation Text

## File #: 09-1476, Version: 2

Chief Administrative Office, Procurement and Contracts Division, recommending the Board approve and authorize the Chair to sign Amendment I to Agreement No. 274-S1011 with Hunt and Sons, Inc. to provide commercial cardlock fueling services for all County-owned vehicles for the term of January 24, 2010 through January 23, 2015, increasing the total not to exceed amount by \$1,000,000 for a total not to exceed amount of \$6,000,000, and adding ARTICLE XXIV - Change of Address, ARTICLE XXV - Audit by California State Auditor, and ARTICLE XXVI - Taxes.

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

BUDGET SUMMARY:		
Total Estimated Cost		\$6,000,000.00
Funding		
Budgeted	\$6,000,000.00	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$6,000,000.00	
Change To Net County Cost		\$

Fiscal Impact/Change to Net County Cost: No change in Net County Cost

**Background/Reason for Recommendation:** 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 that are required to travel in the course of their work, specifically law enforcement. Hunt & Sons, Inc. has agreed to enter into a new five year agreement under the same terms and conditions as the previous agreement including formula for determining cost per gallon, prompt payment discounts, invoicing requirements, etc. All of which are detailed in the attached agreement.

An increase in compensation is necessary to make it through the remaining term of the Agreement (approximately 10 months), therefore, Amendment I was processed to increase the compensation from \$5,000,000.00 to \$6,000,000.00 for the term of the Agreement.

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.

Action(s) to be taken following Board approval: The Board Clerk will return one fully executed original to Procurement & Contracts for distribution and administration.

Contact: Ashley Boyd, Department Analyst, Procurement and Contracts

Concurrences: County Counsel and Risk Management