



Legislation Text

File #: 19-1847, **Version:** 1

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

- 1) Waive formal bid requirements in accordance with Purchasing Ordinance 3.12.160, Exemptions from competitive process, Section D;
- 2) Authorize the Purchasing Agent to utilize the Sacramento Area Council of Governments (SACOG) Regional Public Agency Fuel & Lubricants Request for Proposals (RFP) 2018-0029 and Contract No. 1920029 for the provision of commercial cardlock fueling services;
- 3) Authorize the Purchasing Agent to sign Agreement 4404 with Hunt and Sons, Inc. in an amount not to exceed \$3,000,000, effective January 24, 2020 through January 23, 2023; and
- 4) Authorize the Purchasing Agent to execute Amendments that do not affect the term or total not to exceed amount of the Agreement.

FUNDING: General and Non-General Fund.

DISCUSSION / BACKGROUND

The County has an ongoing requirement to purchase various types of fuel for County vehicles and equipment. On January 25, 2005, the County issued a Request for Proposals (RFP) for the provision of off-site fuel services and awarded to the sole proposer, Hunt and Sons, Inc. who was then, and is currently, the only vendor that manages the majority of the local and greater Sacramento area commercial cardlock fueling sites. 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. Since the RFP award in 2005, the County has continued to enter into contracts with Hunt and Sons, Inc. for cardlock fueling services. This program has been very successful and convenient for the majority of County staff who are required to travel and fuel vehicles in the course of their work.

Hunt and Sons, Inc. continues to offer the same price and terms, however, due to the amount of time that has passed since the last competitive solicitation, the Procurement and Contracts Division reviewed the current available purchase and solicitation options to ensure that the County continues to receive the best value and all competitive vendors are considered. It was determined that the SACOG cooperative purchase agreement with Hunt and Sons, Inc. represents the most advantageous purchasing strategy. The contract was competitively bid and included the County's fuel needs to receive a greater discount from the manufacturer based on a higher regional purchase volume than the County would receive by issuing its own RFP.

In an ongoing effort to maximize cost savings and staff resources, many government agencies share contracting efforts through cooperative purchasing. This procurement method increases pricing competitiveness, lowers costs through volume buying, and decreases administrative costs. When comparing the administrative costs of procurements, staff considers product research, source selection, specifications, advertising, staff reports, awarding, protest, and contract administration.

ALTERNATIVES

The Board could choose to not authorize SACOG Hunt and Sons, Inc. agreement, but a new agreement for cardlock fueling would need to be secured for county purposes before the prior agreement expires on January 23, 2020.

PRIOR BOARD ACTION

09-1476 4/29/14

15-0038 1/27/15

17-0040 1/24/17

19-0172 2/06/19

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel

CAO RECOMMENDATION / COMMENTS

It is recommended that the Board approve this item.

FINANCIAL IMPACT

Departments have included appropriations for these services in their budgets, and there is no increase in anticipated appropriations within the current budget year. Therefore, no budget amendment is needed. Sufficient appropriations will be included in future years' budget for the term of the agreement.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

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