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Title: Award a two-year requirements contract in the amount of \$5,133,300 to Robert V. Jensen, Inc., of Fresno, California, with options for three one-year extensions to supply and deliver bulk gasoline and diesel fuel to the Department of Transportation Municipal Fleet Division fueling stations

Sponsors: Department of Transportation

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Attachments: 1. Cooperative Purchase Agmt 110119.pdf

Date	Ver.	Action By	Action	Result
12/5/2019	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

December 5, 2019

FROM: GREGORY A. BARFIELD, Director
Department of Transportation

BY: BRIAN BARR, Assistant Director
Department of Transportation

DUANE MYERS, Fleet Manager
Department of Transportation, Municipal Fleet Division

SUBJECT

Award a two-year requirements contract in the amount of \$5,133,300 to Robert V. Jensen, Inc., of Fresno, California, with options for three one-year extensions to supply and deliver bulk gasoline and diesel fuel to the Department of Transportation Municipal Fleet Division fueling stations

RECOMMENDATION

Staff recommends Council award a two-year requirements contract in the amount of \$5,133,300 to Robert V. Jensen, Inc., of Fresno, California, with options for three one-year extensions to supply and deliver bulk gasoline and diesel fuel to the Department of Transportation, Municipal Fleet Division fueling stations.

EXECUTIVE SUMMARY

The Department of Transportation, Municipal Fleet Division is seeking to establish a requirements contract for bulk fuel to be used by the City of Fresno. The fuel will be used to power vehicles and equipment that are used to conduct business though out the City. Due to historical and anticipated costs for this product, the Purchasing Division has recommended a multi-year requirements contract be established. This contract will be awarded based on the approved piggybacking process at a cost of \$5,133,300.

BACKGROUND

The Municipal Fleet Division is responsible for purchasing, storing, and dispensing gasoline and diesel fuel for the City of Fresno fleet of approximately 2,400 vehicles and equipment. These vehicles are used by City personnel to protect the public, inspect building construction, and maintenance of neighborhood parks. The Municipal Fleet Division is in need of a contract for the purchase of bulk fuel for the City of Fresno's fleet. A requirements contract is needed due to the total dollar amount of the products purchased during each fiscal year. Last year the Municipal Fleet Division purchased over \$4,581,000 of gasoline and diesel totaling 1,558,000 gallons.

The Municipal Fleet Division wishes to piggyback on the County of Fresno bulk fuel contract. The County of Fresno contract was awarded to Robert V. Jensen, Inc., on September 6, 2019. The Purchasing Division has approved the requirements contract and recommends Council approval. The City Attorney's Office has reviewed and approved to form. This contract will be in place for two years with the option for three, one-year extensions.

ENVIRONMENTAL FINDING

This is not a "project" as defined by CEQA Guidelines Section 15378.

LOCAL PREFERENCE

Local preference was not implemented because this is a cooperative purchase agreement.

FISCAL IMPACT

No general funds will be used to purchase these items.

The funding to cover the purchase cost of the bulk fuel has been included in the FY20 adopted budget under the operations of the Municipal Fleet Division.

Attachment:
Cooperative Purchase Agreement