

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: ALAN ALTON, CHIEF FINANCIAL OFFICER, FINANCE  
DEPARTMENT  
SUBJECT: BID AWARD - BLANKET PURCHASE ORDER FOR PURCHASE  
AND DELIVERY OF GASOLINE AND RENEWABLE DIESEL TO  
VARIOUS CITY LOCATIONS WITH RAMOS OIL CO., INC.

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Fire, Water and Finance Departments that the Council, by resolution, approve bid award and issuance of a five (5) year Blanket Purchase Order (BPO) out of a joint solicitation with Sonoma County and other cities that would apply Federalized City BPO Terms and Conditions, with Ramos Oil Co., Inc., West Sacramento, California, to provide for purchase and delivery of gasoline and renewable diesel in various locations for a total amount not to exceed \$750,000.

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EXECUTIVE SUMMARY

The City has an ongoing need for regular bobtail or smaller tanker truck fuels deliveries to various fire stations, various water pump stations and wells, and Brown Farm.

BACKGROUND

On June 12, 2023 County of Sonoma opened Invitation for Bid SC001-0000001681 acting as lead agency with City of Santa Rosa and Petaluma as participating agencies for the purchase and delivery of bulk gasoline and renewable diesel fuels at various locations in order to establish blanket purchase orders for the provision of delivered fuels for use during Federally declared disaster(s), non-Federally declared disaster(s) and on an as needed basis to maintain regular operations. The City's current agreement expires November 1, 2023.

PRIOR CITY COUNCIL REVIEW

Not applicable.

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ANALYSIS

With the County of Sonoma as lead agency, the City of Petaluma and the City of Santa Rosa participated in a federalized formal bid for the purchase and delivery of bulk gasoline and renewable diesel fuels at various locations in order to establish competition and economies of scale for the provision of delivered fuels for use during declared disaster(s), non-disaster and on an as needed basis.

Bidders were required to bid fuel at an increase/margin (delivery included) over their “pull point” rack price for each item, which is the increase/margin over the actual vendor’s price paid to the refinery. Bidders bid to fuel at margin over Daily Unbranded Rack Average prices as published in Oil Price Information Service (OPIS) by IHS Markit City Rack Report for the San Francisco, CA area for each site listed. Each participating entity provided their own Bulk Fuel Bid Price Sheets for 87 Octane, Diesel, and Renewable Diesel.

Each entity estimated their yearly utilized fuel quantities as well as provided location storage capacities within the bid and notice of potential impacts of Federally declared and localized emergency, such as PSPS, were provided. The City’s last five (5) year agreement had a total spend of \$745,000.00 over the five (5) year term.

Of the three hundred and one (301) Vendors notified of the bid by Sonoma County, ten (10) identified themselves as prospective bidders on the bid list, and seven (7) bidders responded with written offers considered responsive and responsible to the requirements of the bid.

The offer submitted by Ramos Oil Co., Inc., West Sacramento California, was the low bid for the locations listed and is considered responsive and responsible.

Delivery Location Address	Storage Capacity (In Gallons)	Estimated Annual Usage (In Gallons)	Increase/Margin per Gallon Over OPIS by HIS Markit City Rack San Francisco, CA. Daily
<b>Gasoline Unleaded - 87 Octane</b>			
<b>Brown Farm</b> 2200 Llano Rd Santa Rosa, CA 95407	500	1,000	0.15
<b>Diesel - Ultra Low Sulfur Red Dyed</b>			
<b>Misc. Utilities Dept. Pump Stations and Wells</b> (Quantity 12)	Various	500	0.15
<b>Diesel – Renewable R99</b>			
<b>Brown Farm</b>	500	2,000	

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2200 Llano Rd Santa Rosa, CA 95407			0.15
<b>Fire Station #1</b> 955 Sonoma Ave Santa Rosa, CA 95404	2,000	9,000	0.15
<b>Fire Station #3</b> 3311 Coffey Lane Santa Rosa, CA 95403	500	4,000	0.15
<b>Fire Station #4</b> 1775 Yulupa Ave Santa Rosa, CA 95405	1,000	3,000	0.15
<b>Fire Station #6</b> 91 Middle Rincon Rd Santa Rosa, CA 95409	500	2,000	0.15
<b>Fire Station #11</b> 550 Lewis Rd Santa Rosa, CA 95404	500	2,000	0.15

Under the City's Contract/Purchase City Code 3-08-110(A) Award Authority, this agreement requires approval by the City Council.

FISCAL IMPACT

Funds for this expense are included in Fiscal Year 2022-23 and will be included in the subsequent Fiscal Years as a normal operating expense when presented to the City Council.

ENVIRONMENTAL IMPACT

The bid award and issuance of a Blanket Purchase Order (BPO) are exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Sections 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required.

Additionally, this action is exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301, in that bulk gasoline and renewable diesel fuel delivery would be for existing public facilities involving negligible or no expansion of the existing use.

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BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution

PRESENTERS

Alan Alton, Chief Financial Officer  
Brandalyn Tramel, Purchasing Agent