



County of Monterey

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 24-516

November 12, 2024

Introduced: 10/25/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 1 to Standard Agreement with Toro Petroleum Corporation, dba Toro Petroleum Corp., to increase the not to exceed amount by \$5,000,000 for a total not to exceed amount of \$8,000,000 with no extension to the term from October 31, 2022 to October 17, 2027; and
- b. Authorize the Contracts/Purchasing Officer or their designee to execute, subject to prior review and approval as to form by the Office of the County Counsel-Risk Management, and review of fiscal provisions by the Auditor Controller's Office, up to three (3) additional amendments to Standard Agreement A-16073, where the additional costs of the Amendments in aggregate does not exceed 10 percent (10% or \$300,000) of the original Agreement amount of \$3,000,000, bringing the total potential overall Agreement aggregate not to exceed amount to \$8,300,000 even if no additional Agreements are entered into.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Amendment No. 1 to Standard Agreement with Toro Petroleum Corporation, dba Toro Petroleum Corp., to increase the not to exceed amount by \$5,000,000 for a total not to exceed amount of \$8,000,000 with no extension to the term from October 31, 2022 to October 17, 2027; and
- b. Authorize the Contracts/Purchasing Officer or their designee to execute, subject to prior review and approval as to form by the Office of the County Counsel-Risk Management, and review of fiscal provisions by the Auditor Controller's Office, up to three (3) additional amendments to Standard Agreement A-16073, where the additional costs of the Amendments in aggregate does not exceed 10 percent (10% or \$300,000) of the original Agreement amount of \$3,000,000, bringing the total potential overall Agreement aggregate not to exceed amount to \$8,300,000 even if no additional Agreements are entered into.

SUMMARY/DISCUSSION:

The County and Toro Petroleum Corporation, dba Toro Petroleum Corp., (hereinafter "Toro Petroleum") wish to increase the Agreement's not to exceed amount by \$5,000,000 for a total not to exceed amount of \$8,000,000 to allow Toro Petroleum to continue to provide essential fuel services for the County.

The Toro Petroleum Agreement was entered into October 31, 2022 for a five-year term from October 18, 2022 to October 17, 2027 upon a competitive selection process under RFP No. 10681.

Staff has identified the need to further increase the Agreement's not to exceed amount by \$5,000,000. Various County departments rely on County-owned vehicles to provide services, and reliable fueling is critical to County's fleet operations. The Agreement with Toro Petroleum requires guaranteed first delivery priority of fuel to maintain all County emergency services vehicles (Sheriff, Fire Protection and Public Works vehicles) in unrestricted operational status in the event of unforeseen fuel shortages. The recommended amendment will allow Toro Petroleum to continue to provide County with a reliable source of fuel.

It is requested that the Board approve the Amendment No. 1 for a new total not to exceed amount of \$8,000,000.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller's Office have reviewed and approved the Amendment No. 1 as to form and fiscal provisions, respectively.

FINANCING:

Costs for these services are charged by Fleet to the County Departments utilizing the services, and those costs are funded through the approved budget allocations for those Departments. Expenditures will depend on the actual services requested by individual County departments.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Board's approval of the recommended Amendment No. 1 will allow the County to continue its fuel services to meet County's operational needs. These recommended actions support the Board of Supervisors Strategic Initiatives for Administration, Infrastructure and Public Safety, and are necessary to ensure delivery of County core and emergency services.

Mark a check to the related board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Arnelita Mabul, Management Analyst II, (831) 755-4944
Patty Small, Management Analyst II, (831) 784-5929

Reviewed by: Richard Buell, Fleet Manager
Florence Kabwasa-Green, Interim Chief of Facilities
Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:

- Attachment A - Amendment No.1 to Agreement
- Attachment B - Toro Petroleum Agreement
- Attachment C - Sum Agreements Ann'l Exp & Balance

