



Board Report

File #: A 22-537, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Standard Agreements with Southern Counties Lubricants, LLC in the amount of \$1,500,000, Sturdy Oil Company, dba Monterey County Petroleum, in the amount of \$4,500,000 and Toro Petroleum Corporation, dba Toro Petroleum Corp., in the amount of \$3,000,000 for fuel product, delivery, and related services for County-owned vehicles pursuant to the terms and conditions set forth in Request for Proposal (RFP) #10681, for a term of five (5) years, with agreements for Southern Counties Lubricants, LLC and Sturdy Oil Company, dba Monterey County Petroleum, becoming effective retroactively from July 1, 2022 through and including June 30, 2027 and the agreement for Toro Petroleum Corporation, dba Toro Petroleum Corp., becoming effective from October 18, 2022 through and including October 17, 2027;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute, subject to prior review and approval as to form by the Office of the County Counsel amendments to the agreements provided that said amendments do not significantly change the terms of each agreement or increase the not to exceed amount by ten percent (10%) of each original agreement's amount.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute Standard Agreements with Southern Counties Lubricants, LLC in the amount of \$1,500,000, Sturdy Oil Company, dba Monterey County Petroleum, in the amount of \$4,500,000 and Toro Petroleum Corporation, dba Toro Petroleum Corp., in the amount of \$3,000,000 for fuel product, delivery, and related services for County-owned vehicles pursuant to the terms and conditions set forth in Request for Proposal (RFP) #10681, for a term of five (5) years, with agreements for Southern Counties Lubricants, LLC and Sturdy Oil Company, dba Monterey County Petroleum, becoming effective retroactively from July 1, 2022 through and including June 30, 2027 and the agreement for Toro Petroleum Corporation, dba Toro Petroleum Corp., becoming effective from October 18, 2022 through and including October 17, 2027;
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute, subject to prior review and approval as to form by the Office of the County Counsel amendments to the agreements provided that said amendments do not significantly change the terms of each agreement or increase the not to exceed amount by ten percent (10%) of each original agreement's amount.

SUMMARY/DISCUSSION:

Prior to Public Works, Facilities and Parks assuming responsibility for Fleet operations from the County Administrative Office, County Fleet Management along with Contracts/Purchasing initiated RFP #10681 to solicit fuel product, delivery and related services to ensure compliance with all State laws and mandates. Proposals were reviewed, and multiple vendors selected for award.

Various County departments rely on County-owned vehicles to provide services, and reliable fueling is critical to maintaining this fleet for staff use. The recommended agreements will provide the County with a reliable source of fuel.

The proposed agreements also require 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.

It is requested that the Board approve the agreements in accordance with the terms and conditions set forth within each agreement, for a combined total amount not to exceed \$9,000,000.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel and Auditor-Controller's Office have reviewed and approved each agreement 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:

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

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Reviewed by: Lindsay Lerable, Chief of Facilities

Tom Bonigut, PE, Assistant Director of Public Works, Facilities and Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE

Director of Public Works, Facilities and Parks

Attachments are on file with the Clerk of the Board:

Attachment A - Southern Counties Lubricants, LLC Agreement

Attachment B - Sturdy Oil Company, dba Monterey County Petroleum Agreement

Attachment C - Toro Petroleum Corporation, dba Toro Corp. Agreement