



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: March 12, 2024**

**FROM: POLICE DEPARTMENT      WARD(S): ALL**

**SUBJECT: INCREASE ANNUAL COMPENSATION FOR THE PURCHASE AND DELIVERY OF JET-A AVIATION FUEL FOR CITY OF RIVERSIDE HELICOPTERS FROM EPIC AVIATION, LLC IN THE AMOUNT OF \$50,000 FOR FISCAL YEAR 2023/24, FOR A TOTAL ANNUAL AMOUNT OF \$215,000 AND APPROVE THE INCREASE OF THE ADDITIONAL THREE ONE-YEAR RENEWAL PERIOD OPTIONS**

## **ISSUE:**

Approve an increase in annual compensation for the purchase and delivery of Jet-A Aviation Fuel for City of Riverside helicopters with Epic Aviation, LLC., of Salem, Oregon, in the amount of \$50,000 for Fiscal Year 2023/2024, for a total annual amount of \$215,000 and approve the increase of the additional three one-year renewal period options.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve an increase in annual compensation for the purchase and delivery of Jet-A Aviation Fuel for City of Riverside helicopters with Epic Aviation, LLC of Salem, Oregon in the amount of \$50,000 for Fiscal Year 2023/2024, for a total annual amount of \$215,000; and
2. Approve the increase of the additional three one-year renewal periods with Epic Aviation, LLC for the purchase and delivery of Jet-A Aviation Fuel products in the amounts of \$236,500 for FY 2024/25, \$260,150 for FY 2025/26, and \$286,165 for FY 2026/27 inclusive of 10% annual increases for future fuel market volatility.

## **BACKGROUND:**

The Riverside Police Department (RPD) maintains the fuel pumps at the Aviation Hangar that supply Jet-A Aviation Fuel to the helicopters. On March 17, 2022, the County of Riverside Purchasing on behalf of Riverside County Sheriff's Department Aviation Division issued Request for Quotes, SHARC-475, for the purchase and delivery of Jet-A Aviation Fuel and related additional services. On July 1, 2022, the County of Riverside entered into a contract with Epic

Aviation, LLC, SHARC-40518-002-06/27, for a five (5) year term, renewed annually, ending June 30, 2027.

On November 9, 2022, Epic Aviation, LLC agreed to extend current pricing for Jet-A Aviation Fuel, which is based on Oil Price Information Service (OPIS) for the Los Angeles Region mean plus \$0.1291 per gallon plus applicable taxes and fees, at the current level of services, and the same terms and conditions as offered to the County of Riverside through June 30, 2027.

On January 10, 2023, the City Council approved the purchase and delivery of Jet-A Aviation Fuel for City of Riverside helicopters with Epic Aviation, LLC of Salem, Oregon in the total amount of \$150,000 for FY2022/23. City Council also approved four optional one-year renewal periods with Epic Aviation, LLC for the purchase and delivery of Jet-A Aviation Fuel products in the amounts of \$165,000 for FY2023/24, \$181,500 for FY2024/25, \$199,650 for FY 2025/26, and \$219,615 for FY 2026/27 inclusive of 10% annual increase for future fuel market volatility.

In March 2023 the Department took possession of the first Airbus H125 helicopter with the second Airbus H125 helicopter arriving in June 2023. Due to extra flight hours needed to train pilots and the higher fuel demand of the Airbus H125 platform, RPD estimates that an additional 15,000 gallons of fuel will be consumed then was previously estimated at a cost of approximately \$50,000, in FY 2023/2024.

### **DISCUSSION:**

The Riverside Police Department (RPD) will need to increase the annual compensation for the purchase and delivery of Jet-A Aviation Fuel for City of Riverside helicopters with Epic Aviation, LLC to continue to provide aerial support for the Department's patrol, investigative, administrative and City government needs.

Purchasing Resolution No. 23914, Section 602(f) states, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances...(f) When Cooperative Purchasing is available and undertaken or when Goods can be obtained through Federal, State and/or other public entity pricing contracts or price agreements." Epic Aviation, LLC has agreed to maintain the terms, conditions, and pricing awarded under the County of Riverside contract based on RFP SHARC-475 and Contract SHARC-40518-002-06/27.

Purchasing Resolution No. 23914, Section 1104(c) states "Modifications to a Purchase Order shall be made only by Change Order. Subject to the availability of funds... (c) 10% of the original contract price for Contracts and/or Purchase Orders previously approved by the Awarding Entity and the total Change Order amount will not exceed \$150,000 ."

The Purchasing Manager concurs that the recommended actions complies with Purchasing Resolution No. 23914, Section 602(f) and Section 1104(c.).

### **STRATEGIC PLAN ALIGNMENT:**

This item contributes to Strategic Priority No. 2.4 – Support programs and innovations that enhance community safety, encourage neighborhood engagement, and build public trust.

This item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Fuel for Police helicopters allows the Police Department to deploy air support into the community encouraging neighborhood engagement and building public trust.
2. **Equity** – The RPD provides public safety services to all residents in the City of Riverside. Fuel for Police helicopters helps in the achievement of this goal by ensuring that RPD air support can enhance community safety.
3. **Fiscal Responsibility** – The proposed action has been competitively bid in accordance with Purchasing Resolution No. 23914, Section 602(f). This contributes to the City's financial health by ensuring the city will receive the best pricing.
4. **Innovation** – In order to meet the community's changing needs and prepare for the future, RPD has purchased two new Airbus H125 Helicopters.
5. **Sustainability & Resiliency** – The purpose of the fuel purchase is to ensure the Department has the ability to provide public safety services in the present and future, while adapting, and growing with the needs of the community.

### **FISCAL IMPACT:**

The total fiscal impact of the action for FY 2023/24 is \$50,000 and \$232,050 for the four-year term of the contract. Sufficient funds are budgeted and available in FY 2023/2024 Police Department budget in the General Fund, Police-Aviation Unit, Motor Fuels and Lubricants Account No. 3120000-426300, for the purchase and delivery of Jet-A Aviation Fuel. Appropriations for future fiscal years will be included in the Department's Budget submissions for those fiscal years to be presented to the City Council for approval.

<b>Fiscal Year</b>	<b>Increase</b>	<b>Total Annual</b>
FY 2023/2024	\$50,000	\$215,000
FY 2024/2025 (including 10% volatility)	\$55,000	\$236,500
FY 2025/2026 (including 10% volatility)	\$60,500	\$260,150
FY 2026/2027 (including 10% volatility)	\$66,550	\$286,165

Prepared by: Victor Garcia, Principal Management Analyst  
 Approved by: Larry Gonzalez, Chief of Police  
 Certified as to  
 availability of funds: Kristie Thomas, Finance Director/ Assistant Chief Financial Officer  
 Approved by: Mike Futrell, City Manager  
 Approved as to form: Phaedra A. Norton, City Attorney

### **Attachments:**

1. County of Riverside Request for Quotes SHARC-475
2. County of Riverside Contract SHARC-40518-002-06/27
3. Epic Aviation, LLC Letter