



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 18, 2023

FROM: FIRE DEPARTMENT WARDS: ALL

SUBJECT: PURCHASE AND DELIVERY OF FUEL PRODUCTS FOR CITY FIRE STATIONS WITH SC COMMERCIAL, LLC FOR A TOTAL AMOUNT OF \$461,840 FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024 WITH THREE ADDITIONAL ONE-YEAR RENEWAL PERIODS THROUGH MARCH 31, 2027

ISSUES:

Approve the purchase and delivery of fuel products for City Fire Stations with SC Commercial, LLC of Orange, CA for a total amount of \$461,840 for the period of July 1, 2023 through June 31, 2024 with three additional one-year renewal periods through March 31, 2027.

RECOMMENDATIONS:

That the City Council:

1. Approve the purchase and delivery of fuel products for City Fire Stations with SC Commercial, LLC of Orange, CA in accordance with Purchasing Resolution 23914, Section 602(h) for a total amount of \$461,840 for the period of July 1, 2023 through June 30, 2024; and
2. Approve three additional one-year renewal periods with SC Commercial, LLC for the purchase and delivery of fuel products in the amounts of \$484,932 for Fiscal Year (FY) 2024/25, \$509,179 for FY 2025/26, and \$534,638 for FY 2026/27 including 5% increases for future fuel market volatility.

BACKGROUND:

The City of Riverside Fire Department (RFD) maintains the fuel pumps at 14 Fire Stations which supply fuel to the Department. The fire station fuel tanks hold between 500 to 1,000 gallons each and require frequent refilling. On November 24, 2021, the Riverside County Department of Purchasing and Fleet Services issued Request for Proposal, RIVCO-2022-RFP-0000341, for the purchase and delivery of Unleaded Fuel and Ultra Low Sulfur Diesel Fuel. On April 1, 2022, the County of Riverside entered into a contract with SC Commercial, LLC, PSA-0004078, for a five-year term, renewed annually, ending March 31, 2027.

DISCUSSION:

According to the City's 2025 Strategic Plan, the City remains fiscally responsible for public funds and ensures accountable financial resources. Therefore, regarding the City's goals, the Riverside Fire Department would like to utilize SC Fuel, of Orange, California, to purchase and deliver fuel to the City Fire Stations in accordance with Purchasing Resolution 23914, Section 602 (h).

On May 23, 2022, SC Commercial, LLC agreed to extend current pricing, which is based on the Colton Oil Price Information Service (OPIS) Daily Unbranded Rack Average Price with CAR, at the current level of services, and the same or better terms and conditions as offered to the County of Riverside through March 31, 2027.

Purchasing Resolution 23914, Section 602(h) states that, "Competitive Procurement through the Informal Procurement and Formal Procurement process shall not be required in any of the following circumstances: ... (h) When Goods can be Procured from a Bidder who offers the same or better price, terms and conditions as the Bidder previously offered as the Lowest Responsive Bidder under Competitive Procurement conducted by the City or another public agency, provided that, in the opinion of the City's Purchasing Manager, it is in the best interest of the City to do so". SC Commercial, LLC has agreed to maintain the terms, conditions, and pricing awarded under the County of Riverside contract based on RFP-0000341 and Contract PSA-0004078.

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution 23914.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the City's Strategic Priority No. 2 – Community Well-Being and Goal 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 the Fire Stations allows the Fire Department to deploy its apparatus into the community providing emergency services.
2. **Equity** – The Fire Department provides first responder services to all residents in the city. Purchasing fuel for the fire apparatus will assist in the achievement of this goal by ensuring that personnel can enhance community safety.
3. **Fiscal Responsibility** – The Fire Department this purchase in accordance with Purchasing Resolution 23914, Section 602(h). This contributes to the City's financial health by ensuring the city will be receiving the best pricing.
4. **Innovation** – The Fire Department deploys a wide range of vehicles, while providing emergency services to meet the community's current and future needs.
5. **Sustainability & Resiliency** – The purchase is to ensure the Fire Department has the ability to provide first responder services in the present and future, while adapting to the growing needs of the community.

FISCAL IMPACT:

The total fiscal impact of the action is \$461,840. Sufficient funds for Fiscal Year 2023/24 are budgeted and available in the General Fund, Fire Operations, Motor Fuels and Lubricants account number 3510000-426300, for the purchase and delivery of 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.

Fiscal Year	Annual Amount
2023/24	\$461,840
2024/25 (including 5% volatility)	\$484,932
2025/26 (including 5% volatility)	\$509,179
2026/27 (including 5% volatility)	\$534,638

Prepared by: Michael D. Moore, Fire Chief
Certified as to availability of funds: Edward Enriquez, Assistant City Manager/Treasurer
Approved by: Mike Futrell, City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. County of Riverside Request for Proposal RIVCO-2022-RFP-0000341
2. County of Riverside Contract PSA-0004078
3. SC Commercial, LLC Letter