



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JULY 5, 2022**
FROM: FIRE DEPARTMENT **WARDS: ALL**
SUBJECT: PURCHASE AND DELIVERY OF FUEL PRODUCTS FOR CITY FIRE STATIONS WITH SC COMMERCIAL, LLC IN THE TOTAL AMOUNT OF \$254,620 FOR FISCAL YEAR 2022/2023 WITH FOUR ONE-YEAR RENEWAL PERIOD OPTIONS

ISSUES:

Approve the purchase and delivery of fuel products for City Fire Stations with SC Commercial, LLC of Orange, CA in the total amount of \$254,620 for Fiscal Year 2022/2023 with four one-year renewal period options.

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 the total amount of \$254,620 for Fiscal Year 2022/23;
2. Approve four additional one-year renewal period options with SC Commercial, LLC for the purchase and delivery of fuel products in the amounts of \$267,351 for FY 2023/24, \$280,718 for FY 2024/25, \$294,754 for FY 2025/26, and \$309,492 for FY 2026/27 inclusive of 5% annual increases for future fuel market volatility; and
3. Authorize the City Manager, or designee, to execute all documents pursuant to this purchase including making minor and non-substantive changes, and annual renewal extensions.

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 (5) 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 23812, Section 602 (f).

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 No. 23812, Section 602(f) Acquisition of Goods 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." 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 recommended actions are compliant with Purchasing Resolution No. 23812, Section 602(f).

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 No. 23812, Section 602(f). 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 \$254,620. The remaining optional extensions and their respective fiscal impact is shown in the table below. Sufficient funds are budgeted and available in Fiscal Year 2022/23 in the General Fund, Fire Operations, Motor Fuels and Lubricants account no. 3510000-426300. 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
FY 2022/2023 (including 5% volatility)	\$254,620
FY 2023/2024 (including 5% volatility)	\$267,351
FY 2024/2025 (including 5% volatility)	\$280,718
FY 2025/2026 (including 5% volatility)	\$294,754
FY 2026/2027 (including 5% volatility)	\$309,492

Prepared by: Michael D. Moore, Fire Chief
 Certified as to
 availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer
 Approved by: Edward Enriquez, Interim Assistant City Manager
 Approved as to form: Phaedra 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