



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: AUGUST 16, 2022

FROM: POLICE DEPARTMENT WARDS: ALL

**SUBJECT: PURCHASE AND DELIVERY OF FUEL PRODUCTS FOR CITY OF RIVERSIDE
POLICE DEPARTMENT VEHICLES WITH SC COMMERCIAL, LLC OF ORANGE,
CALIFORNIA IN THE AMOUNT OF \$440,000 FOR FISCAL YEAR 2022/23 WITH
FOUR OPTIONAL ONE-YEAR RENEWALS**

ISSUE:

Approve the purchase and delivery of fuel products for City of Riverside Police Department vehicles with SC Commercial, LLC of Orange, California in the amount of \$440,000 for Fiscal Year 2022/23 with four optional one-year renewals.

RECOMMENDATIONS:

That the City Council:

1. Approve the purchase and delivery of fuel products for City of Riverside Police Department vehicles with SC Commercial, LLC of Orange, CA in the amount of \$440,000 for Fiscal Year 2022/23; and
2. Authorize the City Manager, or designee, to execute all documents pursuant to this purchase including execution of amendments for four optional one-year renewals in the amounts of \$484,000 for FY 2023/24, \$532,400 for FY 2024/25, \$585,640 for FY 2025/26, and \$644,204 for FY 2026/27, inclusive of 10% annual increases for future fuel market volatility, and making minor and non-substantive changes.

BACKGROUND:

The City of Riverside Police Department maintains the fuel pumps at the Magnolia Police Station that supply fuel to the Department. On November 24, 2021, the Riverside County Department of Purchasing and Fleet Services issued Request for Proposal No. 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:

SC Commercial, LLC (formerly known as The SoCo Group Inc.) has supplied fuel, lubricants and other products as needed to the City of Riverside since 2009 and has provided exceptional service. Historically the City has had difficulty with various fuel providers; therefore, entering a contract with SC Commercial, LLC will be highly beneficial.

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 (Cap-at-the-Rack), 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(h) states, “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 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 recommended actions are in compliance with Purchasing Resolution No. 23812, Section 602(h).

STRATEGIC PLAN ALIGNMENT:

This item contributes to **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 Police Department vehicles allows the Police Department to deploy its employees 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 Department vehicles helps in the achievement of this goal by ensuring that RPD employees can enhance community safety.
3. **Fiscal Responsibility** – The proposed action has been competitively bid in accordance with Purchasing Resolution No. 23812, Section 602(h). This contributes to the City’s financial health by ensuring the City will be receiving the best pricing.
4. **Innovation** – In order to meet the community’s changing needs and prepare for the future, RPD assigns their field personnel with patrol vehicles.
5. **Sustainability & Resiliency** – The proposal 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 is \$440,000 for FY 2022/23. Sufficient funds are budgeted and available in the General Fund, Police Administrative Services, Motor Fuels and Lubricants account no. 3105000-426300.

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. The following table outlines the estimated cost of fuel for FY 2022/23 through FY 2026/27 in the event all four of the optional one-year renewal periods are utilized.

Fiscal Year	Annual Amount
FY 2022/23 (including 10% volatility)	\$440,000
FY 2023/24 (including 10% volatility)	\$484,000
FY 2024/25 (including 10% volatility)	\$532,400
FY 2025/26 (including 10% volatility)	\$585,640
FY 2026/27 (including 10% volatility)	\$644,204

Prepared by: Larry V. Gonzalez, Chief of Police
 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/Chief Financial
 Officer/City Treasurer
 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