



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
December 20, 2022

TOPIC: Fuel Delivery and Supply Services

AGENDA TITLE

Approve an Agreement with AAA Oil, Inc. for Fuel Delivery and Supply Services (Non-General Fund)

RECOMMENDED ACTION

Authorize the City Manager to execute an agreement with AAA Oil, Inc. for fuel delivery and supply services in an annual amount not to exceed \$1,300,000 and total amount not to exceed \$6,500,000, for a three-year term beginning December 20, 2022 and expiring December 19, 2025, with an option for one two-year extension, subject to non-substantive changes approved by the City Manager and City Attorney.

DISCUSSION

The Public Works Agency's Central Stores is responsible for purchasing and dispensing fuel at the fueling stations located at the City's Corporate Yard and Santa Ana Police Department. The City currently has a fleet inventory of over 600 vehicles across all City departments that rely on these fueling stations to meet their unleaded and diesel fueling needs. Additionally, the City also utilizes diesel fuel to power emergency backup generators at several of its critical infrastructure sites. The current agreement for fuel delivery and supply is set to expire on January 31, 2023.

On September 13, 2022, the Public Works Agency issued Request for Proposal (RFP) 22-110 for gasoline and diesel fuel supply and delivery services. The RFP was advertised on the City's online bid management and publication system with bids due on October 7, 2022. System records indicate 18 vendors were notified and 18 vendors downloaded proposal files. Five proposals were received and evaluated by a selection committee. Based on the criteria outlined in the RFP, all proposals received were categorized as responsive, and their respective scores are as follows:

FIRM	LOCATION	PROPOSAL SCORE
AAA Oil, Inc.	Garden Grove	85
Pinnacle Petroleum, Inc.	Huntington Beach	79
Merrimac Energy Group	Long Beach	79
Downs Energy	Corona	69
Southern Counties Oil Co	Orange	65

In accordance with the proposal scores, staff recommends entering into an agreement with AAA Oil, Inc. for gasoline and diesel fuel supply and delivery services (Exhibit 1). The proposal demonstrated high levels of technical competency and experience to complete the scope of work, and contained a clear path toward achieving City goals and objectives.

ENVIRONMENTAL IMPACT

There is no environmental impact associated with this action.

FISCAL IMPACT

Funding for this action is budgeted and available for expenditure in the current fiscal year and will be budgeted in future fiscal years as shown below.

Fiscal Year	Accounting Unit- Account No.	Fund Description	Accounting Unit – Account No. Description	Amount
2022-23 (Dec-June)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$250,000
2023-24 (July-June)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$1,400,000
2024-25 (July-June)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$1,400,000
2025-26 (July-Dec)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$700,000
Renewal Option Years				
2025-26 (Dec-June)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$700,000
2026-27 (July-June)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$1,400,000

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2027-28 (July-Dec)	07617102-63300	Stores & Property Control	Stores & Property Control, Gas & Diesel	\$650,000
Total:				\$6,500,000

EXHIBIT(S)

1. Agreement with AAA Oil, Inc.

Submitted By: Nabil Saba, Executive Director, Public Works

Approved By: Kristine Ridge, City Manager