



Meeting Date: 10 / 23 / 12

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: May Roque *MR* Agenda Item No. 7-4
 Reviewed By: City Manager *RRB* City Attorney *MM* Finance *JIC* Other (Specify) N/A

DATE: October 15, 2012

TO: City Council

FROM: Michael Henderson, General Services Superintendent
City Manager's Office *MHA*

SUBJECT: Agreement with Silvas Oil Company for Fuel and Car Wash Service

RECOMMENDATION

That City Council approve and authorize the Mayor to sign a blanket purchase order (No. 4222) with Silvas Oil Company ("Silvas") for a 120-day period from November 1, 2012, to February 28, 2013, in an amount not to exceed \$1,000,000, for unleaded gasoline and diesel fuel from Silvas' pumps and for off-site car wash service for City vehicles and equipment through a fuel card system.

DISCUSSION

The Fleet Services Division of General Services is responsible for providing maintenance, repair, and fuel for the City's 900+ fleet of vehicles and equipment. Fleet Services maintains and repairs the fleet at its two locations—at the Corporate Yard located at 1060 Pacific Avenue and at 111 Del Norte Boulevard.

In 2011, the City issued Request for Bids No. FS11-01 for the provision of cardlock fuel (unleaded and diesel fuel from off-site vendor's pumps using a fuel card), bulk fuel and lubricants (oil, grease, and transmission fluid) delivered to select City sites, and off-site car wash service. On June 28, 2011, City Council approved the agreement with Silvas through Blanket Purchase Order No. 3820 for the provision of cardlock fuel and car wash service in an amount not to exceed \$2,500,000 for period July 1, 2011-June 30, 2012. (Another vendor, General Petroleum Corporation, was selected to provide bulk fuel and lubricants per the Request for Bids.) A provision of the blanket purchase order with Silvas allowed for its renewal on a year-to-year basis for a maximum period of five years.

In May 2012, Silvas was working on a remediation plan for an underground fuel spill which had occurred at their Oxnard fueling station on 1230 East Fifth Street. The City considered the time it would take to complete the site's remediation and allowed the extension of the agreement with Silvas for 120 days (four months) instead of a year. On June 26, 2012, City Council approved the agreement extension with Silvas from July 1, 2012-October 31, 2012, under Blanket Purchase Order No. 4022, in an amount not to exceed \$1,000,000.

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Remediation on the site is ongoing and progressing according to the City's satisfaction. Fleet Services staff is recommending extending the agreement with Silvas Oil Company for cardlock fuel and car wash service for an additional 120-day period from November 1, 2012 to February 28, 2013. Based on FY2011-12 cardlock fuel expenses of \$2,607,528 and car wash expenses of \$8,800, it is estimated that for the 120-day extension, cardlock fuel expenditures would amount to approximately \$869,000 and car wash expenditures would amount to approximately \$3,000.

FINANCIAL IMPACT

The Fleet Services Division is an internal service fund, and City departments are charged for fuel and car wash service they use. Anticipated revenues for FY 2012-13 are expected to support the agreement for period November 1, 2012-February 28, 2013, in an amount not to exceed \$1,000,000.

mmoar

Attachment #1 – Blanket Purchase Order No. 4222



BLANKET ORDER
 CITY OF OXNARD
 300 WEST 3RD STREET
 OXNARD, CA 93030

PURCHASE ORDER NO. 004222
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DATE: 10/15/2012

VENDOR #: 4505
VENDOR ADDRESS: SILVAS OIL COMPANY INC
 P.O. BOX 1048
 FRESNO, CA 93714

SHIP TO: FLEET SERVICES
 1060 PACIFIC AVE, BLDG 1
 OXNARD, CA 93030

Our P.O. # MUST Appear on ALL Invoices, Packages and Correspondence

DELIVER BY		REQUISITION #	REQUISITION DATE	CONFIRMED BY	
02/28/2013				USE THIS VENDOR FOR PAYME	
FOB		ACCOUNT NUMBER		AUTHORIZED BY	
				BRUCE E. DANDY	
ITEM #	QUANTITY/UNIT	DESCRIPTION ARTICLE OR SERVICE		UNIT COST	EXTENDED COST

AGREEMENT WITH SILVAS OIL COMPANY 11/1/12-2/28/13

Effective date: 10/15/2012
 Expiration date: 02/28/2013
 Not to exceed: 1,000,000.00

UNLEADED FUEL/DIESEL FUEL/CAR WASH SERVICES
 BY ACCEPTANCE OF THIS PURCHASE ORDER YOU ACCEPT
 THE TERMS AND CONDITIONS OF THE CITY OF OXNARD.

TOTAL PURCHASE AMOUNT	\$0.00
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Send Original and One Copy of Invoice to:
PURCHASING
 300 W. THIRD ST, #202
 OXNARD, CA 93030

AUTHORIZED SIGNATURE _____
 Dr. Thomas E. Holden, Mayor

ATTEST:

 Daniel Martinez, City Clerk

