

WASHOE COUNTY

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STAFF REPORT BOARD MEETING DATE: October 27th, 2015

- **DATE:** September 25, 2015
- TO: Board of County Commissioners
- **FROM**: Richard Williams, Buyer, Purchasing Office 328-2283, email: rcwilliams@washoecounty.us
- **THROUGH:** Michael L. Sullens, C.P.M.; Purchasing and Contracts Manager 328-2281, email: msullens@washoecounty.us

David Gonzales, Equipment Services Supervisor 328-2120, email: dgonzales@washoecounty.us

David Solaro, Director, Community Services Department 328-3624, email: dsolaro@washoecounty.us

SUBJECT: Award of Bid No. 2944-16 for Suppliers of Bulk Gasoline and Diesel Fuels for Washoe County and participating joinder agencies for the period of thirty six (36) months from the date of Board approval. The responding bidders shall be polled on a weekly basis for price quotes on gasoline and diesel fuels. Prices quoted shall be firm for a seven (7) day period. Estimated annual expenditures by Washoe County for bulk fuel may exceed \$100,000 subject to market fluctuations.

> It is further recommended that the board accept the freight tariffs as stated and submitted by the qualified suppliers in their bid response. Freight tariffs shall be added to the base fuel cost to arrive at a delivered cost throughout the Northern Nevada and Northern California area. Tariffs may be revised every twenty six (26) weeks on mutual agreement of Washoe County and the qualified suppliers. – Purchasing (All Commission District)

SUMMARY:

It is recommended that the Board Award of Bid No. 2944-16 for Suppliers of Bulk Gasoline and Diesel Fuels for Washoe County and participating joinder agencies for the period of thirty six (36) months from the date of Board approval. The responding bidders shall be polled on a weekly basis for price quotes on gasoline and diesel fuels. Prices quoted shall be firm for a seven (7) day period. Estimated annual expenditures by Washoe County for bulk fuel may exceed \$100,000 subject to market fluctuations.

Agenda Item#____

SUMMARY CONTINUED:

It is further recommended that the board accept the freight tariffs as stated and submitted by the qualified suppliers in their bid response. Freight tariffs shall be added to the base fuel cost to arrive at a delivered cost throughout the Northern Nevada and Northern California area. Tariffs may be revised every twenty six (26) weeks on mutual agreement of Washoe County and the qualified suppliers.

Strategic Objective: Regional Collaboration

Strategic Outcomes: Expand formal and informal partnerships among governmental and nongovernmental entities that improve service and/or improve efficiency or reduce cost.

PREVIOUS BOARD ACTION:

On August 14th 2012, The Board of County Commissioners Awarded Invitation to Bid # 2806-12 for Gasoline and Diesel fuels.

On March 23, 2010. The Board of County Commissioners Awarded Invitation to Bid # 2722-10 for Gasoline and Diesel fuels.

On April 8, 2008, The Board of County Commissioners Awarded Invitation to Bid # 2608-08 for Gasoline and Diesel fuels.

BACKGROUND:

Award of this bid is part of our ongoing process to insure that Washoe County and other local government agencies receive the best possible price for bulk gasoline and diesels fuel that are available in our regional vicinity. Other Governmental Agencies that utilize the Invitation to Bid are; Regional Transportation Commission (RTC), City of Sparks, City of Reno, REMSA, Washoe County School District, City of Carson City and any other governmental entity within the Northern Nevada and Northern California area.

Bulk fuel procured by Washoe County as a result of this Invitation to Bid is primarily used by the Community Services Department in the few remaining fuel storage tanks the County still maintains. The County's major card lock fuel service provider is Thomas Petroleum LLC, DBA: Haycock Petroleum who maintains their own fueling infrastructure. Fuel purchases for 98% of the County's vehicle fleet are procured through a separate contract using Haycock Petroleum. This recommendation does <u>not</u> represent that contract and is not a part of this Invitation to Bid award.

Sealed bids were opened in the Washoe County Purchasing Office at 2:15 p.m. Tuesday, September 8th 2015. In accordance with provisions of NRS 332.039 and NRS 332.045, Washoe County Purchasing advertised and solicited bids for gasoline and diesel fuels. The Invitation to Bid was duly advertised in the Reno Gazette-Journal and made available thru the online services of www. Demandstar.com, resulting in the receipt of ten (10) bids.

BACKGROUND CONTINUED:

Responding bidders:

Carson Valley Oil Co. 4551 Goni Rd. P.O. Box 643 Carson City, NV. 89702

Flyers Energy LLC 147 So. Stanford Way Sparks, NV 89431

Interstate Oil Co. Inc. 50 Lillard Dr. Sparks, NV 89431

Petroleum Traders Corp 7120 Pointe Inverness Way Fort Wayne, IN 46804

Southern Counties Oil Co. DBA SC Fuels P.O. Box 4159 Orange, CA 92863 Ed Staub and Sons Petroleum Inc. 406 W. 8th Alturas, CA 96101

Golden Gate/SET Petroleum Partners/ NV 16580 wedge parkway #300 Reno, NV 89511

Petroleum Distributors Inc. 317 Sutro Street P.O. Box 2283 Reno, NV 89505

Reno Fuel Company 1250 W. 4th Street P.O. Box 6118 Reno, NV 89513

Thomas Petroleum LLC, DBA: Haycock Petroleum 995 South McCarran Blvd, Suite #103 Sparks, NV 89431

FISCAL IMPACT:

This award is for an indeterminate amount as fuel prices change weekly and the exact requirements of the agencies using these products are not known. Based on past purchasing activities, bulk fuel purchases for Washoe County are estimated at \$100,000.00 or above annually subject to market fluctuations.

Funds for Washoe County's expenditures for gasoline and diesel fuels are contained in the Community Services Department fiscal year 2015/2016 budget, cost center 690300, G/L account number 711060, 711065, 711070 Gasoline and diesel fuels are anticipated to be contained and approved in the Community Services Department fiscal years 2016/2017, 2017/2018, 2018/2019 fiscal year budgets.

RECOMMENDATION:

It is recommended that the Board accept the responding bidders as qualified suppliers for gasoline and diesel fuels for Washoe County and participating joinder agencies for a thirty six (36) month period of time. Suppliers shall be polled on a weekly basis for price quotes on gasoline and diesel fuels. Prices quoted shall be firm for a seven (7) day period.

It is further recommended that the board accept the freight tariffs as stated and submitted by the qualified suppliers in their bid response. Freight tariffs shall be added to the base fuel cost to arrive at a delivered cost throughout the Northern Nevada and Northern California area. Tariffs may be revised every twenty six (26) weeks on mutual agreement of Washoe County and the qualified suppliers

POSSIBLE MOTION:

Should the Board agree with staff's recommendation, a possible motion would be: Move to Award of Bid No. 2944-16 for Suppliers of Bulk Gasoline and Diesel Fuels for Washoe County and participating joinder agencies for the period of thirty six (36) months from the date of Board approval. The responding bidders shall be polled on a weekly basis for price quotes on gasoline and diesel fuels. Prices quoted shall be firm for a seven (7) day period. Estimated annual expenditures by Washoe County for bulk fuel may exceed \$100,000 subject to market fluctuations. It is further recommended that the board accept the freight tariffs as stated and submitted by the qualified suppliers in their bid response. Freight tariffs shall be added to the base fuel cost to arrive at a delivered cost throughout the Northern Nevada and Northern California area. Tariffs may be revised every twenty six (26) weeks on mutual agreement of Washoe County and the qualified suppliers