

AGENDA ITEM 6 B
Consent Calendar

MEMORANDUM

DATE: April 3, 2008

TO: El Dorado County Transit Authority

FROM: Julie Petersen, Fiscal Administration Manager

SUBJECT: Resolution to determine fuel as exempt from competitive bidding and approve Blanket Purchase orders for said fuel, for fiscal year 2008/2009.

REQUESTED ACTION:

BY MOTION,

- 1) Adopt Resolution No. 08-05 Identifying Fuel as Exempt from Competitive Bidding and Authorize the Transit Director to Procure Fuel from Outside Vendors.**
- 2) Approve Blanket Purchase Order No. B14020 issued to Dawson Oil Company in the amount of \$558,340. Purchase Order No. B14032 issued to Hunt & Sons, Inc. in the amount of \$34,000. and Purchase Order No. B14044 issued to Ramos Oil Company in the amount of \$3,000. for fiscal year 2008/2009.**

BACKGROUND

The El Dorado County Transit Authority (El Dorado Transit) operates a fleet of Sixty (60) vehicles and purchases green low sulfur diesel and unleaded gasoline from three (3) commercial cardlock fuel vendors.

The El Dorado Transit fleet consumes approximately 8,944 gallons of unleaded gasoline and 8,257 gallons of green low sulfur diesel per month. Transit Drivers and maintenance personnel fuel vehicles during the hours of 5:00 AM and 7:30 PM Monday through Friday and 8:00 AM and 5:00 PM each weekend. Additional fueling is necessary during special shuttle services – Fair Shuttle, Apple Hill Shuttle and Holiday Trolley.

All vendors provide a pricing structure to El Dorado Transit for a set amount above their cost. This is typical of commercial/retail fuel vendors. Daily prices are based on the market but do not allow the vendors to provide a set price as if they were delivering to an El Dorado Transit fuel tank on a specific day. El Dorado Transit buys fuel daily and this daily price fluctuation does not conform to the approved El Dorado Transit Purchasing Procedures therefore, the El Dorado Transit board has allowed an exemption from competitive bidding on fuel since 2000.

El Dorado Transit purchasing procedures allow an exemption to competitive bidding per the following approved El Dorado Transit Purchasing Procedures:

“3.12.132 Exemptions from competitive bidding.

- A. Notwithstanding the provision of Section 3.12.130 herein, competitive bidding need not be required when the Purchasing Agent determines: 1) competitive bidding would not be in the public interest because of emergency, or: 2) the unique nature of the property or service required precludes competitive bidding, or: 3) competitive bidding would produce no economic benefit to the agency.
- B. The exemption provided by subsection (A) herein shall apply only to the purchase of such items listed below or that have been identified by resolution of the El Dorado Transit Board of Directors.”

Due to the unique nature of retail fuel delivery it is recommended that fuel procurement be identified as exempt from competitive bidding. Card lock retail fuel delivery does not lend itself well to competitive bidding because the pricing fluctuates daily according to market rates.

El Dorado Transit Purchasing Procedures and the Joint Powers Agreement establishing El Dorado Transit require Board approval for Purchase Orders over \$10,000 and Purchase Requisitions over \$5,000.

The Transit Director certifies that these purchases are processed within approved Purchasing Procedures and are included within the preliminary approved operating budget for Fiscal Year 2008/2009.

EL DORADO COUNTY TRANSIT AUTHORITY
RESOLUTION NO. 08-05
RESOLUTION OF THE BOARD OF DIRECTORS OF THE EL DORADO COUNTY TRANSIT
AUTHORITY IDENTIFYING FUEL AS EXEMPT FROM COMPETITIVE BIDDING AND
AUTHORIZE THE TRANSIT DIRECTOR TO PROCURE FUEL

WHEREAS, El Dorado County Transit Authority (EDCTA) purchases ultra-low sulfur diesel and unleaded gasoline for fleet vehicles; and

WHEREAS, EDCTA currently purchases fuel from three (3) commercial cardlock vendors; and

WHEREAS, the EDCTA purchase of all fuel from one vendor is not practical due to the proximity of fuel facility and the availability of differing types of fuel; and

WHEREAS, cardlock type retail fuel vendor pricing fluctuate daily which does not lend itself to the EDCTA purchasing procedures; and

WHEREAS, EDCTA has received structured price quotes from all vendors; and

WHEREAS, Purchasing Procedures Section 3.12.132 Exemptions from competitive bidding allow for exemption from competitive bidding by resolution when the unique nature of the property does not lend itself to bidding; and

WHEREAS, Transit Director will be responsible for regular monitoring of all outside retail pricing per gallon; and

NOW THEREFORE, BE IT RESOLVED; that:

1. The purchase of fuel is considered unique in nature due to the fluctuation in price and is hereby declared exempt from competitive bidding.
2. The Transit Director is authorized to purchase fuel from outside vendors.
3. The Transit Director is required to regularly monitor fuel price between vendors in order to obtain the best price possible for EDCTA.

PASSED AND ADOPTED, this 3rd day of April 2008.

AYES:

NOES:

ABSTAIN:

ABSENT:

James R. (Jack) Sweeney, EDCTA Chair

Mindy Jackson, Transit Director

APPROVED AS TO FORM

Barbara McDonald, Secretary to the EDCTA Board

EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454
(530) 642-5383

PURCHASE ORDER NO. B14020

THIS NUMBER MUST APPEAR ON ALL INVOICES,
 PACKING LISTS, PACKAGES, AND BILLS OF LADING.

DATE: 07/01/08

ACCOUNT: 5040.01 CLASS: 110
 5040.80 CLASS: 100

TO: DAWSON OIL COMPANY
 PO BOX 360
 ROCKLIN, CA 95619

SHIP & INVOICE TO:
EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454

Contact:

Vendor Phone No: 530-642-2681

FAX No:

PROMISED DELIVERY DATE		TERMS	NET 10	
		F.O.B. DESTINATION		
QTY	UNIT	DESCRIPTION	EXTENDED TOTAL	
		FUEL PURCHASES FOR TRANSIT FLEET VEHICLES FOR FISCAL YEAR 07/01/08 THROUGH 06/30/09	NOT TO EXCEED: \$585,340.00	
I hereby certify that this purchase order is in accordance with procedures in the purchase manual governing of such items for El Dorado County Transit Authority.			SUBTOTAL	\$585,340.00
			SHIPPING	
			SALES TAX	
			TOTAL	NTE: \$585,340.00
PURCHASING AGENT				

PLEASE NOTE CONDITIONS ON REVERSE SIDE

"This Purchase Order expressly limits acceptance to the terms and conditions stated herein, set forth on the reverse side and any supplementary or additional terms and conditions annexed hereto or incorporated herein by reference. Any additional or different terms and conditions proposed by seller are objected to and hereby rejected."

**EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454
(530) 642-5383**

PURCHASE ORDER NO. B14032

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKING LISTS, PACKAGES, AND BILLS OF LADING.

DATE: 07/01/08

ACCOUNT: 5040.01 CLASS: 110
ACCOUNT: 5040.80 CLASS: 100

TO: HUNT & SONS
P.O. BOX 277670
SACRAMENTO, CA 95827-7670

SHIP & INVOICE TO:
**EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454**

Contact:

Vendor Phone No: 530-642-2681

FAX No:

PROMISED DELIVERY DATE		TERMS	NET 15	
		F.O.B. DESTINATION		
QTY	UNIT	DESCRIPTION	EXTENDED TOTAL	
		FUEL PURCHASES FOR TRANSIT FLEET VEHICLES FOR FISCAL YEAR 07/01/08 THROUGH 06/30/09	NOT TO EXCEED: \$34,000.00	
I hereby certify that this purchase order is in accordance with procedures in the purchase manual governing of such items for El Dorado County Transit Authority.			SUBTOTAL	\$34,000.00
			SHIPPING	
			SALES TAX	
			TOTAL	NTE: \$34,000.00
PURCHASING AGENT				

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Circle Distributing: Vendor - Accounting - Requestor - Purchasing

**EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454
(530) 642-5383**

PURCHASE ORDER NO. B14044

THIS NUMBER MUST APPEAR ON ALL INVOICES,
PACKING LISTS, PACKAGES, AND BILLS OF LADING.

DATE: 07/01/08

ACCOUNT: 5040.01 CLASS: 110
 5040.80 CLASS: 100

TO: RAMOS OIL COMPANY
PO BOX 401
1515 SOUTH RIVER ROAD
WEST. SACRAMENTO, CA 95691

SHIP & INVOICE TO:
**EL DORADO COUNTY TRANSIT AUTHORITY
6565 COMMERCE WAY
DIAMOND SPRINGS, CA 95619-9454**

Contact:

Vendor Phone No: 916-371-2570

FAX No: 916-371-0635

PROMISED DELIVERY DATE		TERMS	NET 15	
		F.O.B. DESTINATION		
QTY	UNIT	DESCRIPTION	EXTENDED TOTAL	
		FUEL PURCHASES FOR TRANSIT FLEET VEHICLES FOR FISCAL YEAR 07/01/08 THROUGH 06/30/09	NOT TO EXCEED: \$3,000.00	
I hereby certify that this purchase order is in accordance with procedures in the purchase manual governing of such items for El Dorado County Transit Authority.			SUBTOTAL	\$3,000.00
			SHIPPING	
			SALES TAX	
			TOTAL	NTE: \$3,000.00
PURCHASING AGENT				

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