

**MEMORANDUM**  
**COUNTY OF PLACER**  
**DEPARTMENT OF ADMINISTRATIVE SERVICES**  
**PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: Jim Boggan, Purchasing Manager *JB*

DATE: June 9, 2009

SUBJECT: Approve the Award of Competitive Bid No. 9899 to Hunt & Sons, Inc. for Bulk Gasoline and Diesel Fuel Purchases and Deliveries in the Maximum Aggregate Amount of \$2,145,000.00

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**ACTION REQUESTED**

Approve the award of competitive Bid No. 9899 to Hunt & Sons, Inc. for bulk gasoline and diesel fuel purchases and deliveries in the maximum aggregate amount of \$2,145,000.00, and authorize the Purchasing Manager to sign the resulting Blanket Purchase Orders (BPOs).

**BACKGROUND**

On behalf of the Department of Public Works/Fleet Services Division and Placer County Fire, the Procurement Services Division solicited bids for bulk gasoline and diesel fuel to be purchased on an as needed basis. Five vendors were notified electronically of Invitation for Bid (IFB) No. 9899 which was also posted on the County's website. Bid responses were received from the following vendors: Hunt & Sons, Inc of Sacramento, CA and Pinnacle Petroleum of Huntington Beach, CA.

Bid evaluation considered the lowest reference bid total based on the Bidder's Margin and delivery differentials, applicable taxes and fees, local vendor preference, early payment discount, and compliance to specifications. Hunt & Sons is a registered Placer County local vendor. The contract price fluctuates within current market conditions and is based upon the sum of the vendor's fixed margin and the daily average Sacramento rack price reported by the Oil Price Information Service (OPIS). Hunt & Sons, Inc was the lowest priced responsive bidder.

**FISCAL IMPACT**

The BPOs resulting from this recommendation will provide bulk gasoline and diesel fuel for the Placer County Departments in the maximum aggregate amount of \$2,145,000.00. The BPO amounts will be as follows: DPW in the maximum amount of \$2,100,000.00 and Placer County Fire in the maximum amount of \$45,000.00. The Departments' Fiscal Impact Statements are attached. As a result of this solicitation, the County may see a potential cost savings of \$82,000 based on improved savings in the Bidder's Margin and delivery differentials from the previous contract award.

Attachments: A - DPW Fiscal Impact Statement  
B - Office of County Executive Fiscal Impact Statement  
C - Bid Tabulation

cc: Chuck Gordon, DPW, Fleet Services  
Cynthia Taylor, DPW, Administration  
Gary Brittner, Placer County Fire  
Linda Oakman, CEO Administration

# MEMORANDUM

DEPARTMENT OF PUBLIC WORKS  
County of Placer

TO: Honorable Board of Supervisors  
FROM: Ken Grehm, Director  
DATE: May 14, 2009  
SUBJECT: **Fiscal Impact Statement**  
RQ049017 Hunt and Sons Fuel BPO

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Sufficient funding has been budgeted in the amount of \$2,100,000 as follows:  
\$1,575,000 in Fleet Services FY2009/10 budget.  
\$525,000 in Roads FY 2009/10 budget.

RQ049017 Hunt and sons BPO Fiscal Stmt.doc



**COUNTY OF PLACER**

**OFFICE OF  
COUNTY EXECUTIVE**  
THOMAS M. MILLER, County Executive Officer

**BOARD MEMBERS**

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175 FULWEILER AVENUE / AUBURN, CALIFORNIA 95603  
TELEPHONE: 530/889-4030  
FAX: 530/889-4023  
www.placer.ca.gov

TO: Honorable Board of Supervisors

FROM: Kim M. Davis, Accountant Auditor II *Kim Davis*

DATE: May 14, 2009

SUBJECT: **Fiscal Impact Statement**  
RQ049357 for Bulk Gasoline & Diesel Fuel for Placer County Fire

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The requisition amount is \$45,000.00. The department has budgeted correctly for this purchase and funding is available in the 2009/10 fiscal year budget.



## COUNTY OF PLACER, AUBURN, CA

**BID EVALUATION & AWARD RECOMMENDATION**

**Bid No.** 9899  
**Title:** Bulk Unleaded & Diesel Fuel  
**Due Date:** 5/13/09

**Buyer Name:** Ben Bramer  
**Phone:** 530-889-4257  
**Estimated Award Date:** 7/1/09

| Name of Firm                  |  | Hunt & Sons          |                 | Pennacle Petroleum, Inc |                   |                       |
|-------------------------------|--|----------------------|-----------------|-------------------------|-------------------|-----------------------|
| City/State                    |  | Sacramento/CA        |                 | Huntington Beach/CA     |                   |                       |
| Telephone                     |  | 916-383-4868         |                 | 714-841-8877            |                   |                       |
| Fax Number                    |  | 916-383-1005         |                 | 814-841-8855            |                   |                       |
| LVP Certified? <sup>(1)</sup> |  | Yes                  |                 | No                      |                   |                       |
| Invoice Terms <sup>(2)</sup>  |  | 1/2%/20 days, Net 30 |                 | Net 30                  |                   |                       |
| Item                          | Item Description   | Qty                  | Unit Price      | Extension               | Unit Price        | Extension             |
| 1                             | Unleaded Opis published price (May 1, 2009)  |                      | 1.7043          |                         | 1.7043            |                       |
|                               | Bidder's margin  |                      | -0.029          |                         | -0.0057           |                       |
|                               | Bid Price  | 453291               | 1.6753          | 759,398.41              | 1.6986            | 769,960.09            |
|                               | Bobtail Differential   | 19310                | 0.0799          | 1,542.87                | 0.3500            | 6,758.50              |
|                               | Delivery point differential - Alta   | 2021                 | 0.0799          | 161.48                  | 0.0490            | 99.03                 |
|                               | Delivery point differential - Colfax   | 12410                | 0.0799          | 991.56                  | 0.0410            | 508.81                |
|                               | Delivery point differential - Foresthill   | 8385                 | 0.0849          | 711.89                  | 0.0420            | 352.17                |
| 2                             | No. 2 Diesel Opis published price (May 1, 2009)  |                      | 1.4075          |                         | 1.4075            |                       |
|                               | Bidder's margin  |                      | 0.0029          |                         | 0.0190            |                       |
|                               | Bid Price  | 283746               | 1.4104          | 400,195.36              | 1.4265            | 404,763.67            |
|                               | Bobtail Differential   | 37812                | 0.0799          | 3,021.18                | 0.3900            | 14,746.68             |
|                               | Delivery point differential - Alta   | 3338                 | 0.0799          | 266.71                  | 0.0490            | 163.56                |
|                               | Delivery point differential - Colfax   | 31670                | 0.0799          | 2,530.43                | 0.0410            | 1,298.47              |
|                               | Delivery point differential - Foresthill   | 11927                | 0.0849          | 1,012.60                | 0.0420            | 500.93                |
|                               | Delivery point differential Lake Tahoe   | 84822                | 0.0949          | 8,049.61                | 0.1200            | 10,178.44             |
| 3                             | Bio Diesel Price (20%)   |                      | 2.07            |                         | No Bid            |                       |
|                               | Petroleum Diesel - Opis published price (80%)  |                      | 1.4075          |                         |                   |                       |
|                               | Bidder's margin  |                      | 0.1899          |                         |                   |                       |
|                               | Bid Price  |                      | 3.6674          |                         |                   |                       |
|                               | Bobtail Differential   |                      | 0.2099          |                         |                   |                       |
|                               | Delivery point differential - Alta   |                      | 0.1949          |                         |                   |                       |
|                               | Delivery point differential - Colfax   |                      | 0.1949          |                         |                   |                       |
|                               | Delivery point differential - Foresthill   |                      | 0.1999          |                         |                   |                       |
|                               | Delivery point differential Lake Tahoe   |                      | 0.2099          |                         |                   |                       |
|                               | Miscellaneous Fees   |                      |                 |                         |                   |                       |
|                               | CA Oil Spill   | 737037               | 0.00119         | 877.07                  | 0.00119           | 877.07                |
|                               | Federal LUST Tax   | 737037               | 0.001           | 737.04                  | 0.001             | 737.04                |
|                               | Federal Superfund Tax  | 737037               | 0.0019          | 1,400.37                | 0.0019            | 1,400.37              |
|                               | CA Gas & Diesel Excise Tax   | 737037               | 0.18            | 132,666.66              | 0.18              | 132,666.66            |
|                               | Lead Poisoning (unleaded fuel)   | 453291               |                 | 0.00                    | 0.0076            | 3,445.01              |
|                               | Regulatory Compliance Fee  | 52                   | 5.75            | 299.00                  |                   | 0.00                  |
|                               | Subtotal   |                      |                 | 1,313,862.23            | Subtotal          | 1,348,456.71          |
|                               | 8.25% Tax  |                      |                 | 97,175.27               | 8.25% Tax         | 99,769.77             |
|                               | Freight  |                      |                 | 0.00                    | Freight           | 0.00                  |
|                               | Bid Total  |                      |                 | 1,411,037.51            | Bid Total         | 1,448,226.48          |
| (1)                           | Local Vendor Preference is granted to those firms who file an LVP Affidavit with the County prior to the close of the bid. |                      | LVP             | 5,000.00                | LVP               | 0.00                  |
| (2)                           | Invoice Terms of less than 20 days cannot be considered.   |                      | Prompt Pay Disc | 7,055.19                | Prompt Pay Disc   | 0.00                  |
|                               | <b>Ref. Price</b>  |                      |                 | <b>\$1,398,982.32</b>   | <b>Ref. Price</b> | <b>\$1,448,226.48</b> |

**Note:** Hunt & Sons - Regulatory Fee is per invoice.  
Pennacle Petroleum - Lead Poisoning Fee will be charged for the purchase of unleaded fuel only.