



MEMORANDUM
PROCUREMENT SERVICES DIVISION
County of Placer

TO: Honorable Board of Supervisors **DATE:** August 23, 2022
FROM: Jane Christenson, Acting County Executive Officer
BY: Brett Wood, Purchasing Manager
SUBJECT: Fleet Card Fuel Services – U.S. Bank National Association

ACTION REQUESTED

Approve an increase to SCN103888 with U.S. Bank National Association of Minneapolis, MN for credit card fuel purchases in the amount of \$150,000.00 for a new total amount of \$1,650,000.00 through September 7, 2022.

Approve the renewal of SCN103888 with U.S. Bank National Association of Minneapolis, MN based on a competitively awarded cooperative contract for credit card fuel purchases as needed in the amount of \$2,000,000.00 for the period of September 8, 2022 through September 7, 2023.

Approve the option to renew the agreement on a year-to-year basis for two (2) additional one-year periods in a maximum amount of \$2,000,000.00 annually.

Authorize change orders up to a cumulative amount of \$200,000.00 consistent with the Placer County Procurement Policy.

Authorize the Purchasing Manager to sign all required documents subject to departmental concurrence and available funding.

BACKGROUND

The Department of Public Works (DPW) Fleet Services Division and the Sheriff's Office (PCSO) require an annual contract for credit card fuel purchases. The cards are administered by each department and are used for fueling County vehicles when staff is unable to utilize a County card lock fuel facility. Staff may purchase fuel at most service stations nationwide using the card, and the card company will consolidate all the fuel charges into one monthly statement to each department.

On September 9, 2020, Sourcewell (a State of Minnesota local government agency and service cooperative) awarded Request for Proposal No. 080620 to U.S. Bank National Association for fleet payment solutions with related services, resulting in cooperative Contract No. 080620-USB. This contract makes these services available to local government agencies, including Placer County, and is valid through September 7, 2024 with the option to renew for one

additional one-year period. On May 25, 2021, your Board approved the award of a contract with U.S. Bank National Association through September 7, 2022 based on Sourcewell Contract No. 080620-USB. Procurement Policy Section 3.5(a) permits contracting with a vendor that was awarded an agreement by another public agency as the result of a competitive process without further competitive bidding by Placer County. The Sourcewell contract meets this criterion.

The U.S. Bank system interfaces with the County's Assetworks fleet and fuel management system which enables County departments to use the U.S. Bank/Voyager cards at the County's participating card lock fuel facilities located within the Auburn, Rocklin/Loomis, and Roseville/Lincoln areas. The cards are used throughout the state and out-of-state as necessary.

An increase to the County's current contract (SCN103888) is necessary to provide DPW and PCSO with the means to pay for their fuel requirements through the end of the current contract period. Procurement Services has met with the applicable divisions to discuss projected forecasts of upcoming spending and has determined an additional \$150,000.00 is needed to pay for fuel through the end of the agreement period. While usage has increased over last year, the biggest contributing factor is the rising cost of fuel over the past several months.

The action requested exceeds the Purchasing Manager's authority and requires your Board's approval in accordance with the Procurement Policy. Therefore, your Board's approval is required to increase the SCN103888 and renew said contract with US Bank National Association, as described above.

FISCAL IMPACT

Departments utilizing this contract are responsible for budgeting properly within their respective operating budgets. Funds are not encumbered until supplies are purchased against the agreements.

ATTACHMENTS

None