

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

307



FROM: Riverside County Information Technology Dept.

SUBMITTAL DATE:
June 10, 2010

SUBJECT: Approval of the Sole Source Purchase with Teagarden Fuel Service, Inc. to provide diesel fuel delivery to Santa Rosa Peak for Riverside County Information Technology (RCIT).

RECOMMENDED MOTION:

1. Ratify, receive and file notice of the proposed annual purchases of diesel fuel with Teagarden Fuel Service, Inc. in the amount of \$50,000, which also contains an option to renew the purchase for four additional one-year periods; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign the purchase orders, exercise the renewal option, based on the availability of fiscal funding that does not change the substantive terms of the purchase, and will not exceed the annual CPI rates.

BACKGROUND: Santa Rosa Peak is a 24 hour prime generator communication site which runs on diesel fuel that is stored in two 2,000 gallon tanks. Due to this site's elevation (approx. 7,500 feet), and its remote location, fuel delivery to this site is very difficult. If delivery is not made and the site runs out of fuel, communications would then be lost for an entire cell of the 800 MHz public safety radio system, transmitters for Riverside County Fire and much of CORNET.

(Continued on Page 2)

Purchasing Agent
Marilyn Soffer, Assistant Director

Matthew W. Frymire
Matthew W. Frymire
Chief Information Officer

		Matthew W. Frymire Chief Information Officer
FINANCIAL DATA	Current F.Y. Total Cost: \$50,000.00	In Current Year Budget: Yes
	Current F.Y. Net County Cost: \$0.00	Budget Adjustment: NO
	Annual Net County Cost: \$0.00	For Fiscal Year: 2010/2011
SOURCE OF FUNDS: RCIT Operating Budget		Positions To Be Deleted Per A-30 <input type="checkbox"/>
APPROVE		Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION:

BY: *Serena Chow*
Serena Chow

County Executive Office Signature

Dep't Recomm.: Policy Policy
 Consent Consent Consent
 Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** 3 | **Agenda Number:**

3.55

Form 11

June 21, 2010

Approval of the Sole Source Purchase with Teagarden Fuel Service, Inc. to provide diesel fuel delivery to Santa Rosa Peak for Riverside County Information Technology (RCIT).

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BACKGROUND (Continued)

RCIT requires diesel fuel delivery to Santa Rosa Peak and knows from past experience that it will require at least four to five deliveries of diesel fuel to Santa Rosa Peak per year. Through procurement processes, it has been determined that no other vendor is available for this geographic location to deliver the quantity of fuel needed for this remote off-road location. Santa Rosa Peak will remain an integral communication site after implementation of the PSEC System. This, along with the continued communication needs of Fire and CORNET, will drive the requirement for continued diesel delivery to this site to keep the site operational.

PRICE REASONABLENESS: Previously, County Purchasing recommended to RCIT that the current County awarded fuel vendor, Southern Counties Oil Co., provide the fuel deliveries to Santa Rosa Peak. Southern Counties Oil Co. made two deliveries to Santa Rosa Peak, and then advised the County that due to vehicle safety issues they would no longer service this site. County Purchasing through a market survey determined that no other company in the geographical area can deliver the quantity of fuel, or be willing to drive up to Santa Rosa Peak, other than Teagarden Fuel Delivery. Teagarden Fuel Delivery has the properly equipped vehicle that can hold the quantity of fuel needed, and transverse dirt roads during adverse weather conditions such as icy or rained-out roads, which make the road impassible for other fuel service vehicles. The access road from highway 74 is 12 miles of very rough terrain.

Teagarden is the only vendor in the geographic area that can deliver to this location. Teagarden charges OPIS price per gallon with a flat fee for delivering fuel to this remote location. Not to exceed \$50,000.00 annually.

REVIEW/APPROVAL: Purchasing concurs with this request.



We help make Riverside County run.

Matthew W. Frymire
Chief Information Officer

Memorandum

To: Billy Cornett, Purchasing Manager **Date:** June 7, 2010
Via: Rebecca Gibson, Procurement Contract Specialist
From: Teresa Summers, Deputy Director Administration
Subject: Sole Source Procurement; Santa Rosa Peak Generator Fuel Delivery

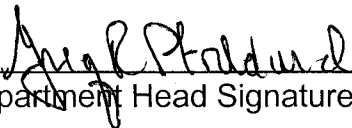
The below information is provided in support of my Department requesting approval for a sole source. Outside of a duly declared emergency, the time to develop a statement of work or specifications is not in itself justification for sole source.

- 1. Supply/Service being requested:** Diesel fuel delivery to Santa Rosa Peak
- 2. Supplier being requested:** TEAGARDEN FUEL SERVICE, INC.
- 3. Alternative suppliers that can or might be able to provide supply/service:** No other vendor is available in this geographic location to deliver the quantity of fuel needed for this remote off road location. Southern Counties Oil CO has stated that they cannot deliver fuel to this location due to road safety issues. RCIT knows from past experience that it will require at least four to five deliveries of diesel fuel to Santa Rosa Peak.
- 4. Extent of market search conducted:** County Purchasing has recommended that the current County awarded fuel vendor South Counties Oil Co. could provide deliveries to this location. Southern Counties Oil Co. made two deliveries and then advised the County that due to vehicle safety issues they will not longer service this site. No other company can deliver the quantity of fuel that is needed for this site other then Teagarden.
- 5. Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Teagarden Fuel Service, Inc. Delivery is equipped with vehicle that can hold the quantity of fuel needed and transverse dirt roads during adverse weather, icy road conditions, rained out making the road impassible to Southern Counties Oil delivery trucks. The access road from highway 74 is 12 miles of very rough terrain.
- 6. Reasons why my department requires these unique features and what benefit will accrue to the county:** Santa Rosa Peak is a 24 hour prime generator site which runs on diesel fuel that is stored in two 2,000 gallon tanks. The last delivery of the year is done in November to top off the tanks. This will normally last until March of the following year. Because of this site's elevation (approx. 7,500 feet,) at various times of the year we can expect rain, snow and ice, leaving the site inaccessible until the spring thaw.

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SOLE SOURCE PROCUREMENT

If this delivery is not made on time, we could run out of fuel, causing the site to lose power and shut down. Communications would then be lost for an entire cell of the 800 MHz public safety radio system, transmitters for Riverside County Fire and much of CORNET.

- 7. **Price Reasonableness:** Teagarden is the only vendor in the geographic area that can deliver to this location. Teagarden charges OPIS price per gallon with a flat fee for delivering fuel to this remote location. Not to exceed \$50,000.00 annually.
- 8. **Does moving forward on this product or service further obligate the county to future similar contractual arrangements?** No, I do not see where this service will further obligate the county to future similar contractual arrangements.
- 9. **Period of Performance:** Five (5) years 6/2010 – 6/2015; renewable in one-year increments.


Department Head Signature


14-JUN-10
Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove


Billy Cornett, Purchasing Manager

16-13-10
Date