



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 3/24/2020

Agenda Placement: 6G

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Sophie Johnson, Supervising Staff Services Analyst - 707-253-4603

SUBJECT: Amendment No. 2 for Agreement No. 180153B with Napa Valley Petroleum, Inc.

RECOMMENDATION

Director of Public Works requests approval of and authorization for the Chair to sign Amendment No. 2 to Agreement No. 180153B with Napa Valley Petroleum, Inc., increasing maximum compensation by \$50,000 for a new maximum of \$425,000 per fiscal year with all other terms remaining the same, to provide Unleaded and Diesel Fuel services.

EXECUTIVE SUMMARY

On October 12, 2017, the County entered into Agreement No. 180153B with Napa Valley Petroleum, Inc. with a maximum compensation amount of \$325,000 per fiscal year. On March 12, 2019, the Board approved Amendment No. 1 to the agreement adding an additional \$50,000 to increase maximum compensation to \$375,000 per fiscal year. Approval of Amendment No. 2 will increase maximum compensation by \$50,000 for a new maximum compensation of \$425,000 per fiscal year. The additional compensation will meet the increased cost of receiving Unleaded and Diesel Fuel services for generators during the Public Safety Power Shutoffs and increased costs that have resulted from State taxes and general gas price fluctuations.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Equipment Pool
Is it Mandatory or Discretionary?	Mandatory

Is the general fund affected?	No
Future fiscal impact:	Funding for the services under this agreement will be budgeted each fiscal year for the term of the agreement.
Consequences if not approved:	If the amendment is not approved, the County would not have sufficient contracting authority to compensate this fuel services provider and would no longer continue receiving the benefits, including reduced fuel prices, onsite delivery, and access to fuel services technicians.
County Strategic Plan pillar addressed:	Effective and Open Government: Strengthen effective, efficient and fiscally responsible County operations.
Additional Information:	

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

Since approximately 1994, Napa County has received unleaded and diesel fuel services from Napa Valley Petroleum. Following a RFP process, on October 12, 2017, County entered into Agreement No. 180153B with Napa Valley Petroleum Inc., to provide discounted rates at multiple retail stations in Napa county and to provide bulk fuel delivery and technical services to the County's fueling yards in Yountville, Spanish Flat, and at generator sites throughout the County with maximum compensation of \$325,000. Subsequent to the approval of the agreement with Napa Valley Petroleum Inc., the State of California introduced Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017, which increased fuel taxes for the benefit of the local and state roadway system. Due to the increase on fuel taxes and general gas price fluctuations, the Board approved Amendment No. 1 on March 12, 2019, increasing the maximum compensation to \$375,000 per fiscal year.

Today, staff is requesting approval of Amendment No. 2 to Agreement No. 180153B to increase the maximum compensation amount by \$50,000 to \$425,000 per fiscal year. This additional compensation will meet the increased costs of receiving Unleaded and Diesel Fuel services for generators during the Public Safety Power Shutoffs and continued increased costs from general gas price fluctuations. All other terms of the agreement will remain the same.

Napa Valley Petroleum Inc. is a local vendor.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Susan Kuss