

RESOLUTION NO. 2007-588

Adopted by the Sacramento City Council

August 14, 2007

AMENDMENT NO. 1 TO THE CONTRACT FOR FUEL SITES TESTING AND REPAIR SERVICES WITH KAISER COMMERCIAL PETROLEUM

BACKGROUND

- A. In 2005, Bid No. B051181016 for Fuel Sites Testing and Repair Services was used to select a vendor for compliance testing and repair of all of the City's fuel sites. From that bid, the City awarded a contract to Kaiser Commercial Petroleum, the lowest responsive and responsible bidder, for fuel sites testing and repair services with two one-year extensions.
- B. Total expenditures with Kaiser Commercial Petroleum have exceeded the City Manager's authority of \$100,000 over the past two fiscal years (FY2005/06 and FY 2006/07). These unanticipated expenditures were the result of the Fleet Management Division's upgrade of five fuel sites and unforeseen repairs.
- D. In order to maintain compliance with state and local government regulations, staff is requesting City Council to authorize Amendment No. 1 to the contract with Kaiser Commercial Petroleum in an amount not to exceed \$254,000 through June 14, 2008.
- E. It is in the City's best interests to suspend competitive bidding to authorize Amendment No. 1 to the contract with Kaiser Commercial Petroleum in an amount not to exceed \$254,000 through June 14, 2008 because (1) Kaiser Commercial Petroleum was the lowest responsible bidder when these services were informally bid in 2005 and has performed well under this contract, (2) it is critical that ongoing testing and repair services be continued, (3) the contract will be subject to the same terms as Bid No. B051181016, and the original contract term was for a period of one year from the date of issuance of the original purchase order (June 15, 2005), with the option for two additional one-year extensions, and (4) unanticipated expenditures exceeded the City Manager's authority of \$100,000.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. It is in the best interests of the City to suspend competitive bidding and competitive bidding is hereby suspended for fuel sites compliance testing and repairs.

Section 2. The City Manager or the City Manager's designee is authorized to execute Amendment No. 1 to Contract No. B051181016 resulting from Bid No. B051181016 for Fuel Sites Testing and Repair Services with Kaiser Commercial Petroleum for a new total amount not to exceed \$254,000 for the period June 15, 2005 through June 14, 2008.

Section 3. Prior year expenditures with Kaiser Commercial Petroleum are hereby ratified.

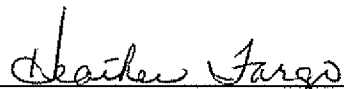
Adopted by the City of Sacramento City Council on August 14, 2007 by the following vote:

Ayes: Councilmembers Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, and Mayor Fargo.

Noes: None.


Abstain: None.

Absent: Councilmembers Cohn and Waters.



Mayor, Heather Fargo

Attest:



Shirley Concolino, City Clerk