

CONTRACT

35471

THIS CONTRACT is made and entered, in duplicate, as of January 22, 2020 for reference purposes only, pursuant to Resolution No. RES-20-0008, adopted by the City Council of the City of Long Beach at its meeting on January 14, 2020, by and between M. O. DION & SONS, INC., a California corporation ("Contractor"), with a place of business at 1543 W. 16th Street, Long Beach, CA 90813, and the CITY OF LONG BEACH ("City"), a municipal corporation.

WHEREAS, the City desires the purchase and delivery of marine fuel for City vessels at the Alamitos Bay Marina and Shoreline Marina fuel dock facilities ("Marine Fuels"); and

WHEREAS, the Parks, Recreation and Marine Department advertised RFP PR19-055 in February 2019, to obtain a new fuel facility operator to sell fuel to the public and manage the docks owned by the City. The purchase of Marine Fuels was not included in RFP PR19-055, therefore a contract is necessary to provide Marine Fuels to City-owned vessels assigned to various departments; and

WHEREAS, on December 10, 2019, the City Council adopted Specifications No. RFP PR19-055, advertised by the Parks, Recreation and Marine Department, and authorized the City Manager to award a contract to M. O. Dion & Sons, Inc. to operate and maintain the existing fuel facilities in the Long Beach Marinas; and

WHEREAS, City determined by Resolution No. RES-20-0008 that the City's need for the purchase and delivery of Marine Fuels could only be met by Contractor and, by reason of the foregoing, no useful purpose would be served by advertising for bids for the purchase and delivery of Marine Fuels, and to do so would constitute an idle and useless act and an unnecessary expenditure of public funds;

NOW, THEREFORE, in consideration of the mutual terms and conditions contained herein, the parties agree as follows:

1. Contractor shall sell, furnish, and deliver to City Marine Fuels,

1 attached hereto as Exhibit "A", and incorporated herein by reference, as authorized by
2 Resolution No. RES-20-0008.

3 2. City shall pay Contractor in due course of payments for Marine Fuels,
4 following receipt of an invoice from Contractor and upon acceptance from City, the prices
5 shown in Exhibit "A", in an annual amount of One Hundred Fifty Thousand Dollars
6 (\$150,000), with a ten percent (10%) contingency in the amount of Fifteen Thousand
7 Dollars (\$15,000), for a total annual sum not to exceed amount of One Hundred Sixty Five
8 Thousand Dollars (\$165,000).

9 3. The term of this Contract shall commence on February 1, 2020, and
10 shall terminate at midnight on January 31, 2025 unless sooner terminated as provided
11 herein. City shall have the option to extend the term of this Agreement for two (2) additional
12 five-year periods, at the discretion of the City Manager. The City may terminate this
13 Contract by giving thirty (30) days prior notice of termination to Contractor.

14 4. Neither this Contract nor any of the moneys that may become due
15 Contractor hereunder may be assigned without the prior written consent of City.

16 5. Any notices required hereunder or desired to be given by either party
17 shall be in writing and personally delivered or deposited in the U.S. Postal Service, first
18 class postage prepaid, addressed to Contractor at the address stated herein, and to City
19 at 411 West Ocean Boulevard, Long Beach, California 90802 Attn: City Manager. Notice
20 shall be deemed given on the date personal delivery is made or on the date of deposit in
21 the mail, whichever first occurs.

22 6. City shall have the benefit of any warranty from the manufacturer on
23 the Marine Fuels, and Contractor warrants that the Marine Fuels are in good working order
24 and free from defect at the time of delivery.

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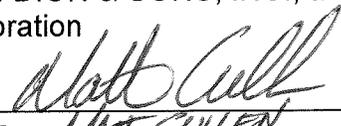
OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 West Ocean Boulevard, 9th Floor
Lona Beach, CA 90802-4511

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IN WITNESS WHEREOF, the parties have signed this document with all the formalities required by law as of the date first stated above.

M. O. DION & SONS, INC., a California corporation

January 28, 2020

By 
Name MATT COLTEN
Title PRESIDENT

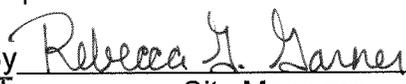
January 28, 2020

By 
Name Bill Frank
Title CFO

"Contractor"

CITY OF LONG BEACH, a municipal corporation

February 12, 2020

By 
City Manager

**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER "City"**

This Contract is approved as to form on February 11, 2020.

CHARLES PARKIN, City Attorney

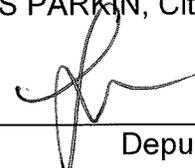
By 
Deputy

EXHIBIT "A"



Bulk Fuels ♦ Lubricants ♦ Cardlock ♦ Services ♦ Solvents ♦ Equipment

January 22, 2020

Oliver Cruz
Fuel Operations Program Officer
Department of Financial Management | Fleet Services Bureau
City of Long Beach
2600 Temple Avenue
Long Beach, CA 90806

Dear Mr. Cruz,

Thank you for the opportunity to provide you with the following quote. Please let us know if we can quote you on any additional products.

Type of Fuel	Fuel Service Type	Index	Margin
Clear Diesel	Wethose	OPIS LA	+\$0.60
Red Diesel	Wethose	OPIS LA	+\$0.60
Regular Unleaded	Wethose	OPIS LA	+\$0.60
Premium	Wethose	OPIS LA	+\$0.60

- All prices quoted do not include applicable taxes or fees.
- Prices are applicable to City of Long Beach vessels procuring fuel at Alamitos Bay Marina and Shoreline Marina

Our fuel pricing strategy is simple. Fuel pricing is based on the daily cost plus a fixed margin. Your prices may fluctuate daily, based on fuel cost but your margin will not change. We believe this pricing is straightforward and provides transparency.

Regards,

Bill Frank
562-216-8386
Bfrank@AmberResources.com

This Quote represents a Supply Contract between the purchaser and Dion & Sons at 1543 W. 16th Street, LB CA 90813 for the products and prices listed above. The quantity will be determined at the time of order. Purchases may cease at any time. Prices are subject to change.



Serving our customers with 70 years of experience and locations spanning the entire Southern California region.
Santa Paula | Van Nuys | Long Beach | Colton | San Diego