



## Legislation Text

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**File #:** 20-0031, **Version:** 1

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Recommendation to adopt resolution authorizing City Manager, or designee, to execute all documents necessary to enter into a contract, including any necessary amendments, with M.O. Dion & Sons, Inc., of Long Beach, CA, for furnishing and delivering marine fuel for City vessels, in an annual amount of \$150,000, with a 10 percent contingency in the amount of \$15,000, for a total annual amount not to exceed \$165,000, for a period of five years, with the option to renew for two additional five-year periods, at the discretion of the City Manager. (Citywide)

City Council approval is requested to enter into a contract with M.O. Dion & Sons, Inc., for the purchase and delivery of marine fuel at the Alamitos Bay Marina and Shoreline Marina fuel dock facilities. On December 10, 2019, the City Council adopted Specifications RFP PR19-055 authorizing the City Manager to award a contract to M.O. Dion & Sons to operate and maintain the fuel dock facilities in the Long Beach Marinas. The purchase of marine fuel was not included in the RFP; therefore, a contract is necessary to provide fuel for City-owned vessels.

Purchasing marine fuel from M.O. Dion & Sons, Inc., enables City vessels to be fueled within their patrol and operating areas, which minimizes the time and fuel spent traveling to fuel City vessels. The next closest marine fuel facilities are in San Pedro or Orange County, which are considerably farther than the fueling facilities in the Alamitos Bay Marina and Shoreline Marina. The City fleet consists of 39 marine vessels that utilize, on average, 22,000 gallons of diesel fuel and 4,600 gallons of unleaded fuel annually.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on December 5, 2019, Purchasing Agent Tara Yeats on November 3, 2019 and by Budget Management Officer Rhutu Amin Gharib on December 4, 2019.

### SUSTAINABILITY

Specially formulated ultra low-sulfur (ULS) diesel fuel and unleaded fuel are sold at the City's fuel docks in compliance with California's low emission fuel standards. In addition, Fleet will request that M.O. Dion & Sons, Inc., purchase renewable ULS diesel fuel whenever it is available.

City Council action is requested on January 14, 2020, to ensure a contract is in place expeditiously.

The annual contract amount for marine fuel will not exceed \$165,000, including a 10 percent contingency. Sufficient funding for the contract is budgeted in the Fleet Service Fund Group in the Financial Management Department. Fuel costs are collected from multiple funds and departments through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The contract will provide continued support to our local economy by assisting in the preservation of employment for 45 employees residing in Long Beach.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AND ANY AMENDMENTS THERETO WITH M.O. DION & SONS, INC. WITHOUT ADVERTISING FOR BIDS FOR FURNISHING AND DELIVERING MARINE FUEL FOR CITY VESSELS IN AN ANNUAL AMOUNT NOT TO EXCEED \$165,000

JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA  
ACTING CITY MANAGER