



San Francisco Office of the City Administrator
City Administrator Carmen Chu

Citywide Renewable Diesel Contract & Citywide Gasoline Contract

File [240864](#); Contract 1000013880

File [240865](#); Contract 1000030369

Office of Contract Administration

Board of Supervisors' Budget and Finance Committee

October 2, 2024

Contract Summary - Diesel

Contract 1000013880 (OCA Term Contract 70886) is the City's contract for **renewable diesel**

- Primary Contract awarded to Golden Gate Petroleum via competitive solicitation per § Administrative Code 21.1 in December 2018
 - Current NTE \$86.7M, ending on October 31, 2024
 - Amended three (3) times
- Contract pricing
 - Fixed mark-up or mark-down on OPIS daily average renewable diesel rack prices for San Francisco
 - Pricing also dependent on delivery location, type of diesel, and quantity of gallons ordered

Contract Summary - Gasoline

Contract 1000030369 (OCA Term Contract 70885.M) is the City's contract for **gasoline**

- Contract awarded to Mansfield Oil Company of Gainesville, Inc. via San Francisco Administrative Code Section 21.16(b) in November 2023
 - Current NTE \$9.975M, ending on November 16, 2024
 - Amended once
- Contract Pricing
 - Mark-up or mark-down on OPIS daily average gasoline rack prices for San Francisco and Stockton (for Sierra deliveries)
 - Additional fees may be assessed for transport type, freight, and other items, as applicable

Renewable Diesel Contract Expenditures

FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL	Monthly Avg.
\$397K	\$23.1M	\$2.5M	\$31.6M	\$5.0M	\$19.5M	\$10.6M	\$ 92.7M	\$1.48M

Gasoline Contract Expenditures

FY23-24	FY24-25	TOTAL	Monthly Avg.
\$4.24M	\$2.97M	\$7.2M	\$764K

Proposed Amendments

- Comprehensive solicitation for various fuels and fuel products is forthcoming
- Anticipate awarding one or more new contracts by end of Fiscal Year 2024-2025
- Fuel is a critical commodity; any lapse in fuel delivery can immediately and severely impact City operations
- In the event contract award for new solicitation is delayed, OCA needs ability to extend current contracts to ensure uninterrupted delivery of fuel

Proposed Amendment: Renewable Diesel Contract

- **Amendment 4**
 - Increase NTE by \$15,595,000 to **\$102,345,000**
 - Extend duration by eight months to **June 30, 2025**
- **Subsequent Amendment(s)**
 - Increase NTE increase up to maximum of **\$108,589,000**
 - Extend duration up to maximum total term of six years and five months, through **October 31, 2025**

Proposed Amendment: Gasoline Contract

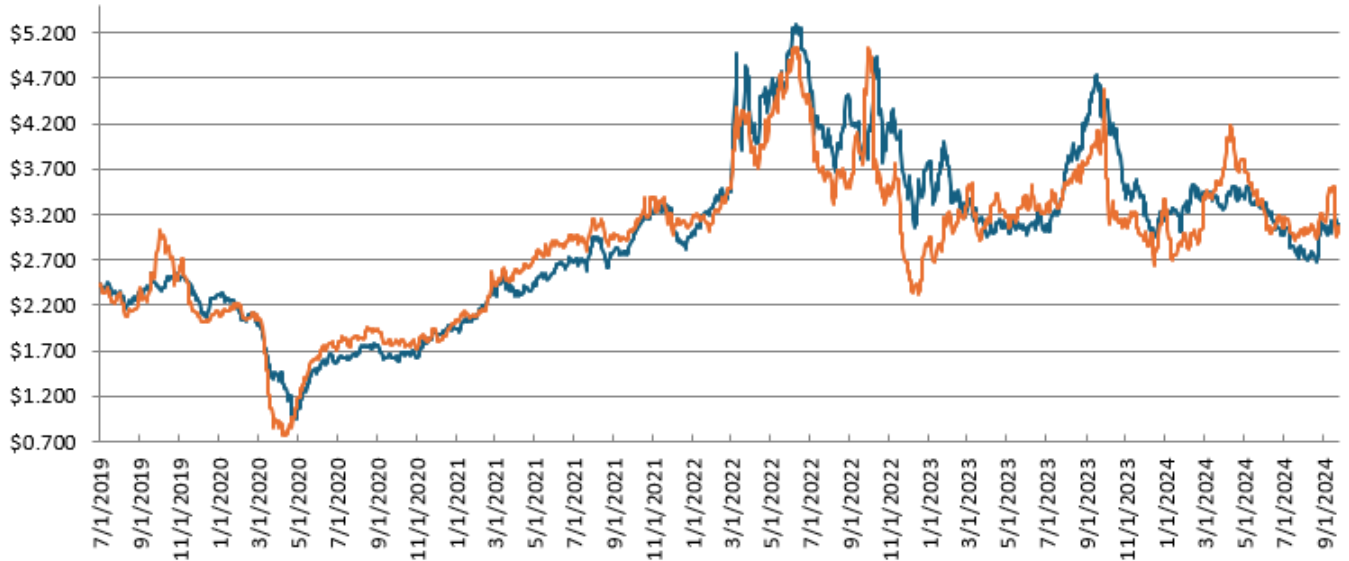
- **Amendment 2**
 - Increase NTE \$7,538,000 to **\$17,513,000**
 - Extend duration by seven months, fourteen days to **June 30, 2025**
- **Subsequent Amendment(s)**
 - Increase NTE increase up to maximum of to **\$20,768,000**
 - Extend duration up to maximum total term of one year, 11 months, 14 days, through **October 31, 2025**

Thank You

Appendix

OPIS Rack Price Trend

Unleaded & Renewable Diesel OPIS Pricing Index



How is Pricing Determined?

- Contract price is a mark -up or mark-down on OPIS daily average rack prices for diesel fuel, for San Francisco and Stockton.
- OPIS = Oil Price Information Service
- OPIS maintains the world's most comprehensive price benchmarking database of U.S. wholesale fuel prices.
- OPIS is relied on by major oil companies, dealers, most metro transit authorities, and all levels of government.
- Unbiased and independent, has no stake in fuel transactions, and is not funded by the oil industry; and adheres to Anti-Trust Policy guidelines, determined by independent legal counsel. Do not provide info to suppliers until the info is effective and sent to customers.
- In the event that OPIS pricing ceases to be published, or is materially changed, either party may request a new basis to determine pricing for this contract. If a mutual agreement cannot be reached within 30 days, this contract will be terminated.

Types Vehicles & Equipment utilizing Renewable Diesel

Vehicle/Equipment Type
BOATS
BUSES
CARTS
HEAVY EQUIP
PICKUPS
SMALL EQUIP
SMALL OFFROAD
TRAILERS & MISC
TRUCKS
VANS

**As of 2024*