San Francisco Office of the City Administrator
City Administrator Carmen Chu

Diesel and Gasoline Fuel

File 25-0884 and 25-0885

Office of Contract Administration

Board of Supervisors’ Budget and Finance Committee

October 1, 2025

Request Summary

- Authorize OCA to enter into a contract with Golden Gate Petroleum for the supply of diesel fuel with a Not to Exceed amount of $195M for an initial 5 year term; and,

- Authorize OCA to enter into a contract with Pacific Coast Petroleum for the supply of gasoline with a Not to Exceed amount of $93M for an initial 5 year term.

- Both contracts include an option to extend for up to 3 years, for a total term of 8 years.

Diesel Contract Summary

- **Primary Users:** Provides diesel fuel for all City Departments; the primary user of diesel fuel is the MTA, which accounts for 80% of the total encumbrances on the existing contract.

- **Pricing:** City encumbrances increased during the most recent fiscal years of the prior contract; those averages were used to assist forecasted use of new contract.

- **Selection:** In July, 2025, OCA issued an Invitation for Bids for fuel and fuel products. Golden Gate Petroleum was selected via a competitive solicitation and was the lowest bidder.

Gasoline Contract Summary

- **Primary Users:** Provides gasoline fuel for all City Departments. The primary user of gasoline fuel is the Fleet Division, which services Department of Public Works, Police, and Rec Park which together account for 60% of encumbrances on the existing contract.

- **Pricing:** City encumbrances increased during the most recent fiscal years of the prior contract; those averages were used to assist forecasted use of new contract.

- **Selection:** In July, 2025, OCA issued an Invitation for Bids for fuel and fuel products. Pacific Coast Petroleum was selected via a competitive solicitation in August 2025, and was the lowest bidder.

Recommendation

- Authorize the OCA to enter into two separate contracts, one with Golden Gate Petroleum for the supply of diesel fuel with a Not to Exceed amount of $195M for an initial 5 year term with an option to extend by 3 years; and,

- Authorize OCA to enter into a contract with Pacific Coast Petroleum for the supply of gasoline with a Not to Exceed amount of $93M for an initial 5 year term with an option to extend by 3 years.

Thank You

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.
- Bid prices are all inclusive of delivery, freight, environment fees, and taxes.