

1 [Approving one fuel contract estimated to exceed \$10 million.]

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3 **Resolution approving the Agreement between the City and Western States Oil for**
4 **gasoline and diesel fuel, which is estimated to exceed \$10 million, pursuant to**
5 **Charter Section 9.118(b).**

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7 WHEREAS, the Office of Contract Administration issued Contract Proposal 70882
8 in March 2009 for gasoline, diesel fuel and propane; and,

9 WHEREAS, the Office of Contract Administration intends to award the primary
10 contract for gasoline and diesel fuel for all City departments, except for locations in
11 Tuolumne County, to Western States Oil, with an estimated amount of \$25 million; and,:

12 WHEREAS, the contract will have a term of one year, from September 1, 2009
13 through August 31, 2010, with possible one-extensions for a total of five years; and,

14 WHEREAS, it is probable that the City will exercise the first option to extend the
15 contract for an additional year; and,

16 WHEREAS, Charter Section 9.118(b) requires Board approval by resolution of
17 contracts estimated to exceed \$10 million; therefore, be it

18 RESOLVED, that the Board of Supervisors approves the award of the contract to
19 Western States Oil for \$25 million as described above; and be it

20 FURTHER RESOLVED, that the Board of Supervisors authorizes the Office of
21 Contract Administration to extend the contract for an additional year and to increase the
22 contract amount from \$25 million to \$50 million as part of the extension.

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