



**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*

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Office of Contract Administration

Board of Supervisors' Budget and Finance Committee

October 2, 2024

# Contract Summary - Diesel

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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

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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

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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	<b>\$ 92.7M</b>	<b>\$1.48M</b>

# Gasoline Contract Expenditures

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

# Proposed Amendments

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- 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

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- **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

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- **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**

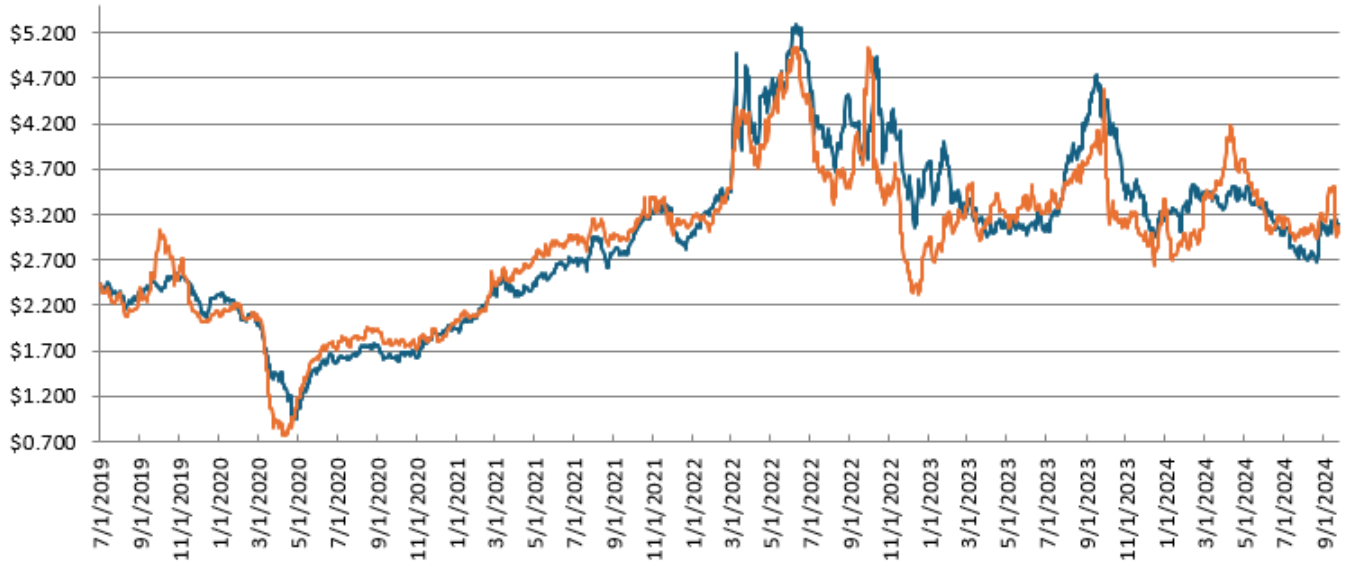


**Thank You**

# Appendix

# OPIS Rack Price Trend

Unleaded & Renewable Diesel OPIS Pricing Index



# How is Pricing Determined?

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- 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

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

*\*As of 2024*