



Agenda Submittal

Agenda #: 8 **Status:** Approved
Type: Contract **Department:** General Services
File #: 20-693 **Contact:** Dustin Leno, 469-4600
Agenda date: 10/6/2020 **Final action:** 10/6/2020
Title: Approve a Fuel Supply Agreement with Epic Aviation, LLC for aviation fuel for the Nut Tree Airport through FY2025/26; and Authorize the County Administrator or designee to execute the Fuel Supply Agreement with Epic Aviation and any future amendments within approved budget
Governing body: Board of Supervisors
District: All
Attachments: 1. A - Contract, 2. Minute Order, 3. Executed Contract

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------------|--------|--------|
| 10/6/2020 | 1 | Board of Supervisors | | |

Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

The Department of General Services recommends that the Board of Supervisors:

1. Approve a Fuel Supply Agreement (FSA) with Epic Aviation, LLC ("Epic Aviation") for aviation fuel for the Nut Tree Airport through FY2025/26; and
2. Authorize the County Administrator or designee to execute the FSA with Epic Aviation and any future amendments within approved budget.

SUMMARY:

The County began operating fuel services at the Nut Tree Airport (Airport) in September 2012 generating fuel sales revenue for the Airport Operating Budget. The previous agreement and amendments with World Fuel Services recently expired. Staff is recommending that the Board approve the FSA for a 5-year period in order to continue fuel service operations.

FINANCIAL IMPACT:

Funding for the recommended FSA will be from the Airport Enterprise Fund and offset by the sale of fuel to aircraft owners and operators. During FY2019/20 the Airport purchased 122,557 gallons of fuel in the amount of \$426,106, and generated fuel sales in the amount of \$573,812. The approved Airport Budget (BU 9002) for the current FY 2020/21 includes \$586,145 for fuel purchases. Total fuel sales are projected to be \$712,779. If the recommended agreement is approved by the Board, fuel will be purchased for the remainder of FY2020/21 within approved appropriations. The costs associated with preparing the agenda item are nominal and absorbed by the department's FY2020/21 Adopted Budget.

DISCUSSION:

An FSA is necessary for the County to assure the supply of fuel for its customers and the flying public. Prior to September 2012 fuel services were provided at the Airport by a private fixed-base operator under contract with the County. Subsequently, the County began operating the fuel services and entered into an agreement with World Fuel Services, owned by Chevron Inc. That agreement and subsequent amendments expired in August 2020.

The County published an Invitation for Bid (IFB) for airport fuel providers June 29, 2020. A total of three bids were submitted July 28, 2020. A Notice of Intent to Award was issued July 31, 2020. Epic Aviation was determined to be the apparent best-evaluated bidder.

In addition, Epic Aviation has agreed to lease the County two new fuel trucks to ensure quality control of their product. The lease is currently in negotiations. The new fuel trucks will be funded from the Airport Enterprise Fund and the existing leased fuel trucks from World Fuel Services will be returned.

It is recommended the FSA with Epic Aviation be approved by the Board for a 5-year period.

ALTERNATIVES:

The Board may choose not to approve the FSA with Epic Aviation as the fuel supplier. Staff does not recommend this alternative because it could restrict the Airports ability to provide fuel services and require other, potentially, more expensive alternatives.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has approved the Fuel Supply Agreement, as to form.

Assistance during the transition of fuel operations will be provided by the Department of Resource Management / Environmental Health, Yolo-Solano Air Quality Management District, State Board of Equalization, and the Regional Water Quality Control Board.

The Airport Advisory Committee has been briefed on the FSA and recommends approval.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION