

# Exhibit to Agenda Item #5

Approve an increase to the aggregate contract not-to-exceed amount for fleet bulk fuel and fleet fuel card program services by \$12,481,000, from \$16 million to \$28.48 million, for Contract Nos. 4600001005 and 4500097459 with **Ramos Oil Company, Inc.**

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting  
Tuesday, October 18, 2022, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

# General Background

## Contract Changes & Board Actions

- Renewables engineering, July 2022 +\$4M
- Distribution transformers, June 2022 +\$70M
- Remediation work, March 2022 +\$1.4M
- Station G Phase 2, February 2022 +\$870K
- Civil Construction, February 2022 +\$10M
- HR Technology Project, November 2021 +\$6.8M
- Gas Pipeline Engineering, June 2021 +\$3M
- Rancho Seco Security, June 2021 +\$15M
- Hydro Engineering, May 2021 +\$4M

## Justification & Constraints

- Significant and prolonged inflation
- Limited availability of labor
- Lower participation from bidders
- Continuity of work
- Mobilization fees (startup, shutdown)
- Contractor performance
- Crew experience, efficiency

# Fleet fuel contracts

## Bulk Fuel

- Renewable diesel, gasoline
- ECOC, Fresh Pond
- Deliveries daily, weekly

## Fuel Card Program

- 1,275 cards in use currently
- Retail gasoline and diesel



# Procurement process for fuel contracts

## Process

### RFI

- Feasibility of combining programs
- Better understanding of fuel card programs and data
- 28 responses

### RFP

- Combined solicitation
- Split bid schedule
- Optional renewable diesel

## Assessment

### Bulk Fuel

- Response priority
- Customer service
- Fuel deliveries

### Fuel Card

- Access to data and account management
- Fueling locations
- Fuel card controls

## Results

- **Increased competition and participation**
- **Best value contract**
- **Improved account access, data management, and accounting controls**

# Current value



## Fueling locations

- Card fueling at 26 of their locations in addition to over 55,000 fleetwide sites

## Controls for appropriate business use

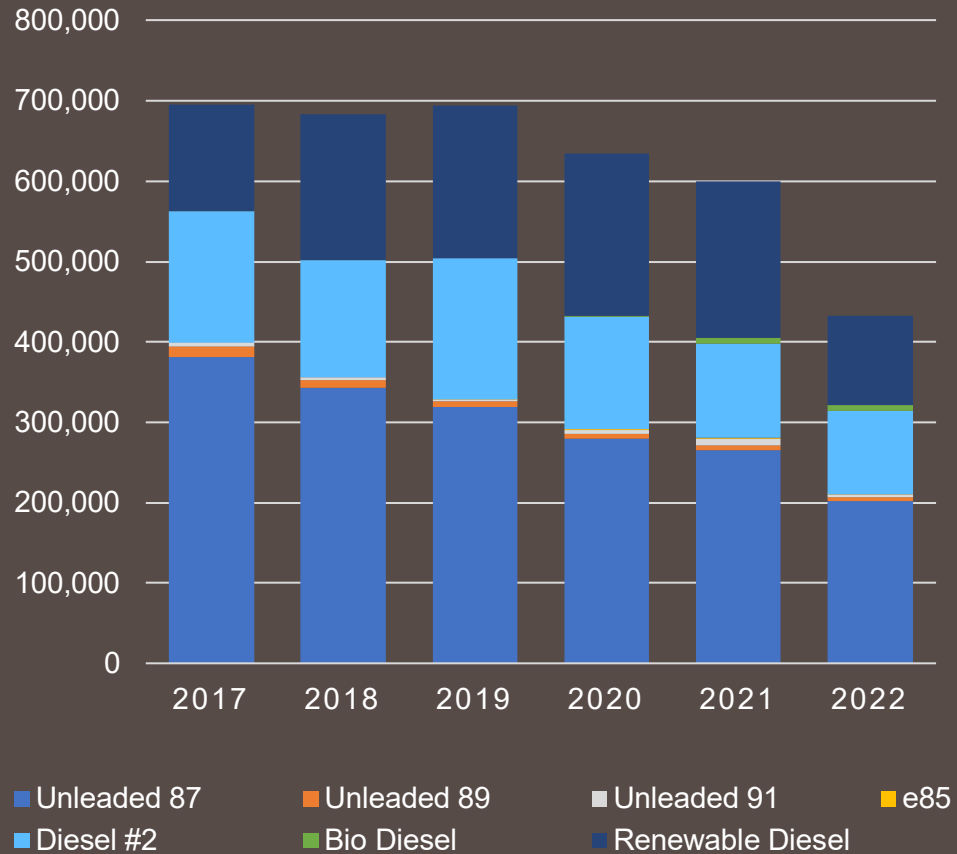
- Immediate lockout of cards, time of day and day of week fueling restrictions, product control, transaction and gallons limits, email notifications, and real-time access to our account information

## Pricing

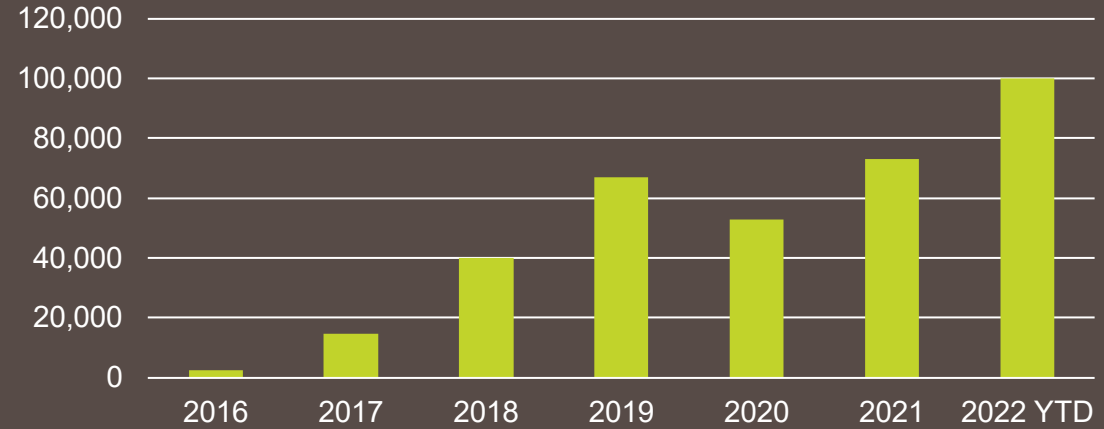
- Fuel costs adjusts based on Oil Price Information Services (OPIS), Sacramento Daily Rack average for unleaded fuel and diesel, and San Francisco Spot Market for ethanol (E-85)

# Fleet Fuel Operations

## FUEL CONSUMPTION (GALLONS)



## ZERO EMISSION MILES DRIVEN



## FUEL ECONOMY (MILES/GALLON)

