Agenda Report

November 10, 2026

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: **AUTHORIZE THE CITY MANAGER TO ENTER INTO A FIVE-YEAR CONTRACT WITH PILOT TRAVEL CENTERS LLC DBA SC COMMERCIAL LLC FOR THE SUPPLY AND DELIVERY OF FLEET LUBRICANTS AND OILS IN AN AMOUNT NOT-TO-EXCEED $550,000**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a project subject to the California Environmental Quality Act (CEQA) pursuant to Section 21065 of CEQA and Sections 15060(C)(2), 15060(C)(3), and 15378 of the State CEQA Guidelines and, as such, no environmental document pursuant to CEQA is required;

2. Award contract to lowest and best bid dated August 4, 2026, submitted by Pilot Travel Centers LLC DBA SC Commercial LLC in response to the bid specifications for the Supply and Delivery of Fleet Lubricants and Oils, and authorize the City Manager to enter into a five-year contract for a total not-to-exceed amount of $550,000 which includes the base contract amount of $500,000 and a contingency of $50,000 to provide any necessary change orders; and

3. Authorize the City Manager to approve within contract authority, amendments to the subject contract including durational extensions.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) is responsible for the maintenance and repair of more than 1,100 City vehicles and equipment. To support these operations, BSFMD requires a consistent supply of lubricants, oils, and diesel exhaust fluid (DEF) to perform preventative maintenance and repairs to ensure City vehicles and equipment remain operational and properly maintained.

These products include engine motor oils, automatic transmission fluids, differential and gear oils, hydraulic oils, tractor hydraulic fluids, multi-purpose grease, synthetic lubricants, and other automotive and equipment lubricants. Lubricants and oils are purchased on an as-needed basis, with certain products delivered in bulk quantities and stored onsite at the City Yards. Products must meet applicable manufacturer specifications and industry performance standards to ensure proper use and compatibility with City vehicles and equipment. Reliability and timeliness in the delivery of these products are essential to maintaining Fleet operations and minimizing disruptions to the availability of City vehicles and equipment.

A Notice Inviting Bids for the Supply and Delivery of Fleet Lubricants and Oils was posted on OpenGov Procurement on July 21, 2026. The posting generated notices to all vendors who had previously registered with the City for this commodity class. A total of 23 vendors downloaded the specifications. A total of three bids were received by the bid closing date, none of which were local.

Following advertising, bids were electronically received on August 4, 2026, and are as follows:

Bidder	Location	Amount ($)
1. Pilot Travel Centers LLC DBA SC Commercial LLC	Orange, CA	$146,226
2. Pinnacle Petroleum, Inc.	Huntington Beach, CA	$191,573
3. The Jankovich Company	San Pedro, CA	$139,600 (Disqualified)

The Jankovich Company submitted the lowest bid, however, the bidder proposed alternative products that differed from those specified in the price proposal bid table and did not submit the required documentation for consideration and approval for the proposed equivalent products in accordance with the solicitation requirements. Therefore, the bid was disqualified for failure to submit the required documentation.

It is recommended that SC Commercial LLC be awarded the contract as they are the lowest, most responsive and responsible bidder. The vendor is active and in good standing with the Secretary of State. Staff recommends this vendor be awarded a five-year contract term in an amount not-to-exceed $550,000. The proposed contract with SC Fuels fully complies with the Pasadena Municipal Code Chapter 4.08 and Chapter 4.11 for Competitive Bidding and Living Wage Ordinances. The City has previously done business with this vendor, paying invoices totaling over $419,000 since Fiscal Year 2022.

The City's previous contract for the supply and delivery of bulk lubricants and oils was for an initial three-year term with two additional one-year extension options, for a total not-to-exceed amount of $414,000. Over the five-year contract period, the City spent approximately $392,797. The recommended contract amount accounts for anticipated

operational needs and potential increases in lubricant and oil costs due to market volatility and global supply-chain conditions.

The contract will be set up as follows:

Base Bid	$500,000
Contingency	$ 50,000
Contract Not-to-Exceed Amount	$550,000

A contingency of 10 percent is allocated to this contract to allow for unforeseen operational needs during the life of the contract.

Payment to the contractor shall be made on an as-needed basis for the supply and delivery of fleet lubricants, oils, DEF, and related products actually ordered and received in accordance with the prices submitted in the bid.

COUNCIL POLICY CONSIDERATION:

This action supports the City Council's strategic planning goals to maintain fiscal responsibility and stability, and ensure the safe and reliable operation of City vehicles and equipment that supports the delivery of essential City services to the community.

ENVIRONMENTAL IMPACT:

The action proposed herein is not subject to the California Environmental Quality Act ("CEQA") in accordance with Section 21065 of CEQA and State CEQA Guidelines Sections 15060(c)(2), 15060(c)(3), and 15378. The proposed action consists of a contract for the as-needed purchase and delivery of lubricants, oils, DEF, and related products used in the maintenance and operation of existing City-owned vehicles and equipment. This action does not authorize construction, physical improvements, or any direct physical change in the environment, nor does it create a reasonably foreseeable indirect physical change in the environment. Therefore, the proposed action is not a "project" subject to CEQA, as defined in Section 21065 of CEQA and Section 15378 of the State CEQA Guidelines. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The total cost of the recommended action is $550,000 over five years. The Department will utilize existing budgeted appropriations in the Fleet Maintenance Fund to support the first year of contract costs. Future contract costs will be budgeted as part of the Department's annual operating budget.

The following table represents the contract summary.

Base Bid	$ 500,000
Contingency	$ 50,000
Total Fiscal Impact	**$ 550,000**

Respectfully submitted,

GREG DE VINCK, P.E.
Director of Public Works

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