

City of Sacramento  
**City Council - 2PM Report**  
915 I Street Sacramento, CA 95814  
www.cityofsacramento.org

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**File ID:** 2026-01373

9/1/2026

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**[Contract Supplement] Fuel Site Testing, Maintenance, and Repair [Published for 10-Day Review 08/21/2026]**

File ID: 2026-01373

**Location:** Citywide

**Recommendation:** Pass a **Motion** authorizing the City Manager or designee to execute Supplement No. 8 to City Agreement No. 2021-1384 with Kaiser Commercial Petroleum for an amount not to exceed \$2,200,000, bringing the agreement's total not-to-exceed amount to \$1,457,500.

**Contact:** Stacey Chatman, Program Specialist, (916) 808-6711, [schatman@cityofsacramento.org](mailto:schatman@cityofsacramento.org); Alison Kerstetter, Fleet Manager, (916) 808-1163, [akerstetter@cityofsacramento.org](mailto:akerstetter@cityofsacramento.org); Department of Public Works

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-Contract Supplement No. 8

**Description/Analysis**

**Issue Detail:**

The Department of Public Works, Fleet Management Division manages the City's ten fuel sites, which house a total of 40 fuel tanks. To properly maintain these sites, there is an ongoing requirement to test, maintain, and repair them as needed. In October 2021, bid B22153311003 was solicited to provide these services, and the winning bidder was Kaiser Commercial Petroleum, awarded Contract 2021-1384. The original award amount was \$750,000, approved with Motion No. 2021-0356 on December 14, 2021.

The contract history is as follows:

Initial Contract: 12/14/21-12/13/22 with four additional one year options for \$750,000

| Supplement No. | Description                                               | New Not-to-Exceed | New Contract Expiration Date |
|----------------|-----------------------------------------------------------|-------------------|------------------------------|
| 1              | Extend one additional term                                | \$750,000         | 12/13/23                     |
| 2              | Extend one additional term                                | \$750,000         | 12/13/24                     |
| 3              | Increase travel rate                                      | \$750,000         | 12/13/24                     |
| 4              | Extend one additional term                                | \$750,000         | 12/13/25                     |
| 5              | Increase total by \$75,000                                | \$825,000         | 12/13/25                     |
| 6              | Increase total by \$300,000<br>Extend one additional term | \$1,125,000       | 12/13/26                     |
| 7              | Increase total by \$300,000                               | \$1,237,500       | 12/13/26                     |

Due to increased prices and aging infrastructure, the annual need has increased, and there is not enough funding to fulfill the entire contract term. Staff recommend increasing the contract by \$300,000 for a new not-to-exceed amount of \$1,457,500, which should cover the remaining term of the contract through December 2026.

**Policy Considerations:** The recommendation in this report is in accordance with City Code Chapter 3.56 and the Sacramento City Council Rules of Procedure, Chapter 7, Section E.2.d, which requires additional posting time for labor agreements and agreements greater than \$1 million. This item shall be made available to the public at least ten (10) days prior to council action. This item was published for a 10-day review in compliance with the City Code.

**Economic Impacts:** None.

**Environmental Considerations:** No environmental review is necessary because the recommendations in this report involve the purchase of goods and services and are not considered to be a project in accordance with Section 15378(b)(2) of the California Environmental Quality Act guidelines.

**Sustainability:** Not applicable.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** On October 21, 2021, the Department of Public Works, Fleet Management Division, in accordance with City Code Chapter 3.56, issued a Request for Bid (RFB) for Fuel Site Testing, Maintenance, and Repairs. Kaiser Commercial Petroleum was deemed the lowest responsive and responsible bidder. The recommended contract amount was \$750,000, reflecting the amount expected to be expended over the potential five-year contract period. Due to

escalating prices and aging infrastructure, the projection fell short, and additional funds are needed to cover the entirety of the contract period, which will sunset in December 2026.

**Financial Considerations:** Sufficient funding is available in the Department of Public Works Fiscal Year (FY) 2026/27 operating budget (Fleet Fund, Fund 6501).

**Local Business Enterprise (LBE):** Kaiser Commercial Petroleum is an LBE vendor.

# Contract Routing Sheet

☐ **Payment / Performance Bond Only**

## General Routing Information

Department: Public Works Department  
 Contract Coordinator: Julie Baldovino Email: \_\_\_\_\_  
 Effective Date: 12/14/2021 Expiration Date: 12/13/2026  
 Grant/Project Name: Fuel Site Testing, Maintenance and Repair  
 Other Party: Kaiser Commercial Petroleum  
 Original Not to Exceed Amount: \$ 750,000.00  
 Assessor's Parcel Number(s): \_\_\_\_\_  
 Project Number: \_\_\_\_\_ Bid/RFQ/RFP#: B22153311003

## Supplements/Addendums/Change Orders ☒

Adjusted Amount of this Change (+/-): \$ 220,000.00 New Not to Exceed Amount: \$ 1,457,500.00  
 Change In Scope: No  
 Original Contract Number: 2021-1384 Supplement Number: 08

## Council Approval ☒

Original Meeting Date: 12/14/21 Council File ID: 2021-01354  
 Supplement Meeting Date: 9/1/26 Council File ID: 2026-01373

## Processing Information

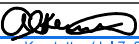
- |                                                                   |                                                                          |
|-------------------------------------------------------------------|--------------------------------------------------------------------------|
| <input type="checkbox"/> Clerk's Office to Mail for Recording     | <input type="checkbox"/> Return to Dept for Recording                    |
| <input type="checkbox"/> Return to Dept for Other Party Signature | <input type="checkbox"/> Construction Related                            |
| <input type="checkbox"/> Real Estate                              | <input type="checkbox"/> Additional Originals Attached – Return to Dept. |

**Add notes/instructions, including any other contract or council file ID numbers related to this agreement:**

Prior increase made - Council ID 2025-01116 6/17/25

**Signing Authority** - Department Directors up to \$100K; \$100K - \$250K City Manager or Assistant City Manager; \$250K+ Council Approval & Council Appointee or designee.

## Department Review and Routing

AB 339 Review Confirmation (if needed) AB 339 Review not needed as this is not expanding scope of agreement or term  
 Sign \_\_\_\_\_  
 Sign   
Alison Kerstetter (Jul 7, 2026 14:06:07 PDT)  
 Sign \_\_\_\_\_  
 Sign \_\_\_\_\_  
 Sign \_\_\_\_\_

CONTRACT #: 2021-1384  
AMENDMENT #: 08  
CONTRACT NAME: Fuel Site Testing, Maintenance and Repair  
NOT TO EXCEED AMOUNT (INCLUDING SUPPLEMENTS): \$1,457,500

DATE: 09/01/2026  
PROJECT: None  
SOLICITATION: B22153311003  
MOTION / DATE OR FILE ID: 09/01/2026 2026-01373

CITY OF SACRAMENTO

**CONTRACT AMENDMENT  
CHANGE IN NOT-TO-EXCEED AMOUNT**

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The City of Sacramento ("City") and **KAISER COMMERCIAL PETROLEUM** ("Contractor"), as parties to that certain contract designated as Contract Number **2021-1384**, including any and all prior amendments modifying the contract (the contract and all amendments are hereafter collectively referred to as the "Contract"), hereby amend the Contract as follows:

1. The maximum not-to-exceed amount that is specified in the Contract for payment of Contractor's fees and expenses is **increased** by **\$220,000**, and the Contract's maximum not-to-exceed amount is amended as follows:

|                                                    |             |
|----------------------------------------------------|-------------|
| Contract's original not-to-exceed amount:          | \$ 750,000  |
| Net change by previous amendments:                 | \$ 487,500  |
| Not-to-exceed amount prior to this amendment:      | \$1,237,500 |
| <b>Increase</b> by this amendment:                 | \$ 220,000  |
| New not-to exceed amount including all amendments: | \$1,457,500 |

2. Contractor warrants and represents that the person or persons executing this contract amendment on behalf of Contractor is duly authorized by Contractor to sign this amendment and bind Contractor to the terms hereof.
3. Except as specifically revised herein, all terms and conditions of the Contract shall remain in full force and effect, and Contractor shall perform as required under the Contract, as modified by this amendment.

**[SIGNATURES ON FOLLOWING PAGE]**

## SUPPLEMENTAL CONTRACT

**Approval Recommended By:**

\_\_\_\_\_  
Project Manager

**Approved By:**

*Greg Kaiser*  
Greg Kaiser (Jul 8, 2026 15:20:04 PDT)  
\_\_\_\_\_  
Contractor

**Approved By:**

\_\_\_\_\_  
Ryan Moore, Assistant City Manager  
City of Sacramento

**Approved As To Form By:**

*Paul A. Gale*  
\_\_\_\_\_  
City Attorney

**Attest:**

\_\_\_\_\_  
City Clerk