

## **RESOLUTION 2026-###**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH PINNACLE PETROLEUM, INC. FOR THE PURCHASE OF FUEL FOR CITY OPERATIONS; INCREASING COMPENSATION BY UP TO \$90,000 FOR FISCAL YEAR 2025-26; AUTHORIZING COMPENSATION NOT TO EXCEED \$180,000 FOR FISCAL YEAR 2026-27 THROUGH MARCH 1, 2027; EXTENDING THE AGREEMENT TERM THROUGH MARCH 1, 2027; AND ESTABLISHING A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$974,846**

WHEREAS, several City of San Pablo departments, including the Police Department, the Public Works Department (Maintenance Division), and the Community Services Department (Paratransit Division), rely on City-owned vehicles to conduct daily operations;

WHEREAS, on March 2, 2023, the State of California entered into a competitively bid fuel services agreement with Pinnacle Petroleum, Inc. (State Contract No. 1-23-91-02B);

WHEREAS, in accordance with State law and Section 3.16.110(E) of the San Pablo Municipal Code, the City of San Pablo is allowed to procure goods and services from vendors through State competitively bid contracts;

WHEREAS, on June 5, 2023, the City Council adopted Resolution No. 2023-084 authorizing the City to enter into an agreement with Pinnacle Petroleum, Inc. for the purchase of fuel under the State of California contract;

WHEREAS, the City entered into an agreement with Pinnacle Petroleum, Inc., effective July 1, 2023, with an original expiration date of March 1, 2026;

WHEREAS, On May 1, 2025, the State of California extended its contract with Pinnacle Petroleum, Inc. through March 1, 2027;

WHEREAS, to ensure continuity of fuel services, maintain operational efficiency, and continue benefiting from State contract pricing, staff recommends extending the City's agreement to align with the State's extended contract term;

WHEREAS, the proposed First Amendment does not alter the scope of services and reflects projected fuel costs necessary to support City operations during the extension period;

WHEREAS, the First Amendment will (1) extend the agreement term through March 1, 2027; (2) increase compensation by up to \$90,000 for Fiscal Year 2025/26; (3) authorize compensation not to exceed \$180,000 for Fiscal Year 2026/27; and (4) establish a total compensation amount under the agreement not to exceed \$974,846; and

WHEREAS, funding for Fiscal Year 2025/26 is included in the adopted FY 2024–2026 Biennial Budget, and funding for Fiscal Year 2026/27 will be considered as part of the next adopted budget cycle.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo hereby:

(1) Authorizes the City Manager to execute a First Amendment to the Agreement with Pinnacle Petroleum, Inc., in a form to be approved by the City Attorney that does not substantially alter the City's rights or responsibilities from those set forth in the attached draft amendment to:

- Extend the term of the agreement through March 1, 2027;
- Increase compensation by up to \$90,000 for Fiscal Year 2025-26;
- Authorize compensation not to exceed \$180,000 for Fiscal Year 2026-27; and;
- Establish total compensation under the agreement, as amended, not to exceed \$974,846.

(2) Authorizes the City Manager to execute any additional documents and take other actions reasonably necessary to carry out and implement this resolution, consistent with the approved budget and applicable laws.

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings.

\* \* \* \* \*

ADOPTED this 20<sup>th</sup> day of January, 2026, by the following votes:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

ATTEST:

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Dorothy Gantt, City Clerk

APPROVED:

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Elizabeth Pabon-Alvarado, Mayor