

**RESOLUTION 2023-###**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH PINNACLE PETROLEUM, INC. FOR THE PURCHASE OF FUEL FOR CITY OPERATIONS FROM JULY 1, 2023 THROUGH MARCH 1, 2026 IN AN AMOUNT NOT TO EXCEED \$257,500 FOR FY2023/24, \$265,225 FOR FY2024/25, AND \$182,121 FOR FY2025/26 THROUGH MARCH 1, 2026, FOR A TOTAL COMPENSATION UNDER THE AGREEMENT NOT TO EXCEED \$704,846.**

WHEREAS, various departments throughout the City of San Pablo use City-owned gas powered vehicles and equipment as part of their duties and operations such as the Police Department, the Public Works Department (Maintenance Division and Street Lighting and Landscape District Division), and Community Services Department (Paratransit Division); and

WHEREAS, on December 12, 2018, the City of San Pablo entered into a “Piggyback Agreement” with Pinnacle Petroleum, Inc. (Pinnacle) for the purchase of fuel at the prices set forth in a fuel purchase agreement between the State of California and Pinnacle Petroleum (contract number 1-18-91-02-A); and

WHEREAS, on June 21, 2022, the City Council through Resolution 2022-094 authorized the City Manager to execute a first amendment to the Agreement to add a June 30, 2023 termination date and established that compensation under the contract shall not exceed \$250,000 for Fiscal Year 2022/23; and

WHEREAS, on March 2, 2023, the State of California entered into a new agreement with Pinnacle Petroleum for fuel services (contract number 1-23-91-02B), which included an option for local governmental agencies to utilize contracted pricing; and

WHEREAS, staff recommends that the City of San Pablo exercise its right to purchase under the new contract agreement between Pinnacle Petroleum and the State of California and further recommends that the City Council authorize the City Manager to execute a new agreement with Pinnacle Petroleum in an amount not to exceed \$704,846 for fuel services received from July 1, 2023 through March 1, 2026; and

WHEREAS, staff recommends to budget a total authorization of \$257,500 for Fiscal Year 2023/24, \$265,225 for Fiscal Year 2024/25, and \$182,121 for Fiscal Year 2025/26 through March 1, 2026.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo authorizes the City Manager to execute an agreement with Pinnacle Petroleum in a form approved by the City Attorney utilizing the State of California’s contract (contract number 1-23-91-02B) for fuel services from July 1, 2023 to March 1, 2026 in an amount not to exceed \$257,500 for Fiscal Year 2023/24, \$265,225 for Fiscal Year 2024/25, and

\$182,121 for Fiscal Year 2025/26 through March 1, 2026, for a total compensation over the term of the agreement not to exceed of \$704,846. (Note: Funding for future years of the contract period is subject to future budget allocation and funding available through the next adopted budget cycle).

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

\*\*\*\*\*

ADOPTED this 5<sup>th</sup> day of June, 2023, by the following votes:

AYES: COUNCILMEMBERS:  
NOES: COUNCILMEMBERS:  
ABSENT: COUNCILMEMBERS:  
ABSTAIN: COUNCILMEMBERS:

ATTEST:

APPROVED:

\_\_\_\_\_  
Dorothy Gantt, City Clerk

\_\_\_\_\_  
Abel Pineda, Mayor