STAFF REPORT

To:	City Council
From:	Dan McElroy
Subject:	**Letter of Extension for Fuel Services from Pilot Thomas and Updated Fee Schedule**
Prepared On:	June 19, 2024
Attachments:	Pilot Thomas Letter of Extension Fee Update.pdf

Background/History:
On June 14th, 2021, the City of Bishop entered into a Services Agreement with Pilot Thomas to provide Fuel Services. The Agreement has an initial term set to expire on June 30th, 2024, with an option to extend for annually for three years. Pilot Thomas has submitted a letter of extension and a request to amend the Fee Schedule for a one-year term ending on June 30th, 2025.

Analysis/Discussion:
The City of Bishop Community Services Department has received a Letter of Extension and Request to amend the Fuel Services Fee Schedule. The Community Services Manager Daniel McElroy has contacted Pilot Thomas to discuss the changes in the Fee Schedule. Due to increased supplier cost of transportation, Pilot Thomas needs to make an adjustment to the transportation added cost per gallon. This adjustment would increase $0.20 per gallon. Pilot Thomas has provided this document for City Council approval and to filed in the Fuel Services Agreement. After review and analysis, the Community Services Department finds that this increase will still fall well below average fuel pricing, thus providing the City of Bishop with best price per gallon.

Economic Impacts:
There are no Economic Impacts.

Budget Impacts:
The Budget Impacts will be for increased fuel costs accounted for in the 2024-2025.

Legal Review:
City Attorney Ryan Jones has reviewed this item and finds that the recommended action complies with the law.

<u>Recommended Action:</u>

City Council to accept the Letter of Extension for Fuel Services from Pilot Thomas and approve the proposed updated Fee Schedule.

Approved By: Deston Dishion 6/19/2024
Approved By: Ryan Jones 6/19/2024
Approved By:
Approved By: