



# INCREASE OF FUEL SERVICES AMOUNT NOT TO EXCEED

RS-22-113

August 16, 2022

# Background

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- Fuel contract renewed March 22, 2022, and is effective through December 2026
- Due to the rise of fuel costs
  - Increase in forecasted fuel cost is expected to be \$2.8 million in FY 2022 – estimated to use 765,160 gallons of fuel
  - Increase in fuel cost in future years \$3.0 million

# Alternatives

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- Do not increase the fuel services contract amount
- Approve the increase in the fuel services contract amount

# Recommendation

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City Council authorize the increase of the City's fuel services amount from \$2,500,000 to \$2,800,000 for the remainder of FY 2022 and set an amount not to exceed of \$3,000,000 for future years.