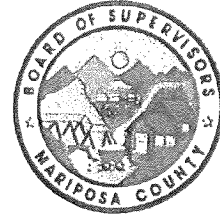


MARIPOSA COUNTY

Health and Human Services · (209) 966-2000



RESOLUTION - ACTION REQUESTED 2021-625

MEETING: November 16, 2021
TO: The Board of Supervisors
FROM: Shannon Gadd, Health and Human Services Agency Director
RE: Approval of Price Change in Propane Supply Agreement and Equipment Lease with AmeriGas

RECOMMENDATION AND JUSTIFICATION

Approve an agreement with AmeriGas for continuation of propane services; and Authorize the Board of Supervisors Chair to Sign the Agreement: Attachment "A" - *Price of Propane in Effect from September 30, 2021 through September 30, 2022.*

The County established a three year agreement with AmeriGas to supply propane and equipment to the Mariposa County Health and Human Services Agency (HHSA). The initial term of the lease agreement for the equipment occurred from October 1, 2017 through September 30, 2020 and currently exists on a month to month basis until request for termination.

AmeriGas is an LPG distribution company headquartered in King of Prussia, Pennsylvania, with extensive operations in the United States. Founded in 1959, it is the nation's largest retail propane marketer, serving approximately 2 million customers from approximately 2,500 distribution locations. For this specific agreement, AmeriGas provides propane services and lease equipment to HHSA facilities.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

Board of Supervisors ratified acceptance of approval for the Propane Supply Agreement and Equipment Lease with AmeriGas on February 5, 2019 through Resolution No. 2019-62.

Board of Supervisors approved Attachment A of Propane Supply Agreement and Equipment Lease with AmeriGas on October 13, 2020 through Resolution No. 2020-610.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Failure to allow approval of the Attachment A modification runs the risks of being in default of our current agreement with AmeriGas and creating unsafe working environments for staff members within HHSA facilities.

FINANCIAL IMPACT:

Revenue and corresponding appropriations are included in the Fiscal Year 2021-2022 Budget.

ATTACHMENTS:

**Mariposa County Health and Human Services pricing renewal 21 - 10192021
(PDF)**

AmeriGas Agreement Wsignatures January 2018 (PDF)

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]

MOVER: Wayne Forsythe, District IV Supervisor

SECONDER: Rosemarie Smallcombe, District I Supervisor

AYES: Rosemarie Smallcombe, Tom Sweeney, Marshall Long, Wayne Forsythe

EXCUSED: Miles Menetrey

District No.
Account No.

ATTACHMENT A

PRICE OF PROPANE – SUPPLY INDEX


This Pricing Attachment ("Attachment") is entered into between AmeriGas Propane, L.P. ("Company") and County of Mariposa ("Customer") with a billing address of P.O. Box 99, Mariposa, CA 95338. Company and Customer agree as follows:

- 1. **Supplemental Terms.** This Attachment supplements and is subject to the Company's [CIRCLE ONE] Non-Residential / Dispenser / Temp Heat / Motor Fuel / Transport Agreement entered into between Customer and Company (the "Customer Agreement"), and the Company's standard Terms and Conditions for propane-related services and equipment rental contained in the Customer Agreement (the "Terms and Conditions"), which are incorporated herein by reference.
- 2. **Pricing and Term.** From 09/30, 2021 to 09/30, 2022, the price per gallon of propane will be the Company's local Supply Index, plus \$0.435, plus all applicable taxes, fees, and charges.

The Company's local Supply Index represents a blended average of the total propane costs for the geographic areas and supply points in which the District that serves Customer is located including, but not limited to, the cost of beginning inventories, all current propane procurement costs and freight rates. The Supply Index is updated regularly to better approximate the continuously varying costs of propane resulting from various market forces.

- 3. **Authority to Sign.** The parties have agreed to the terms of this Attachment as of the latest date signed by both Parties below. This Attachment may only be executed by a manager, director, or corporate officer of Company. The individual signing below on behalf of Customer represents that he or she is authorized to do so.

CUSTOMER: 6003644E54D
 Signature: Marshall Long
 Name: Marshall Long
 Title: Chair, Board of Supervisors
 Date: 11/16/2021

COMPANY:
 Signature: 
 Name: Christine Schwark
 Title: TSR
 Date: 12/9/2021

Approved as to Legal Form:
6003644E545
Steven W. Dahlem
ZorroSign
 Steven W. Dahlem, County Counsel
 Mariposa County