COUNCIL COMMUNICATION
City Manager's Office

GENERAL INFORMATION

Agenda Date: 8/23/04 Communication No.: 04-413

Agenda Item Type: Resolution Roll Call No.:

Submitted by: William G. Stowe, Public Works Director

SUBJECT—

Annual Maintenance Service Agreement Concerning the City's Fuel Dispensing Management System with E.J. Ward Inc.

SYNOPSIS—

The original three-year service agreement with E. J. Ward Inc. (E. J. Ward, President, 801 Tradeway, San Antonio, TX) that covered hardware and software maintenance on the City's fuel management system has expired. Staff desires to retain the services of E. J. Ward Inc. by an annual maintenance service agreement, with options for continuance, for comparable services received under the previous agreement.

FISCAL IMPACT—

Costs are on a per terminal basis. The annual fee per terminal is $2,000. The City has 15 terminals being used by four departments. Staff recommends that the costs for the annual contract, and any possible extensions, be divided among these departments:

- Public Works 5 terminals $10,000 Source: (IS010; PWK011400; Account Code 526170)
- Aviation 5 terminals $10,000 Source: (EN002, AIR040700: Account Code 526170)

- Fire   4 terminals $ 8,000   Source: (GE001; FIR010700; Account Code 526170)
- WRA   1 terminal $ 2,000   Source: (EN251; WRA770110 Account Code 526170)

             Total   15 terminals $30,000

RECOMMENDATION—
Approval

BACKGROUND—
The City's automated fuel dispensing management system was competitively bid and awarded by City Council on August 28, 2000 to E. J. Ward Inc. (Roll Call No. 00-3593). Their fuel management system was then installed in 2001. The original three-year service contract with E. J. Ward ended earlier this year. Because much of the hardware and software components for the fuel management system are proprietary, they do not lend themselves to maintenance service by other vendors. Staff, therefore, believes it is in the City's best interest to maintain service with E. J. Ward Inc.

The fueling system is an integrated hardware and software package that enables automated dispensing and accounting for fuel used by City equipment. Each City vehicle or piece of equipment that requires fuel is assigned a special key programmed specifically for that unit. When an operator uses the fuel key, the system recognizes it and begins to collect information for the fuel transaction. Data collected during this transaction includes:

- Unit number
- Gallons of fuel dispensed
- Time and date of the transaction
- Location of the terminal used
- Type of fuel dispensed

This electronic system eliminates the need for paper records and the manual accounting of individual transactions. Collected data is utilized to bill individual units/departments for fuel used. It also becomes part of the individual vehicle/unit history for fuel consumption, and is used to schedule preventive maintenance. Terminals are located throughout various City departments and permit City vehicles to obtain fuel at any terminal.