

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 14, 2010
	Agenda Item No. 77 Roll Call No. [Roll Call] Communication No. <u>10-318</u> Submitted by: Merrill R. Stanley, Deputy City Manager

AGENDA HEADING:

Approving agreement for shared fueling services with the Des Moines Independent School District.

SYNOPSIS:

Recommend approval of a shared fueling services agreement with the Des Moines Independent School District (DMPS) to fuel white fleet vehicles with unleaded gasoline at the City’s main fuel island.

FISCAL IMPACT:

Amount: \$4,290 estimated net revenue, based on 10 cents/gallon overhead costs.

Funding Source: Fleet Services Maintenance, CMO010401, FY2011 Recommended Operating Budget, page 49.

ADDITIONAL INFORMATION:

The Des Moines Public School District has relocated their vehicle support facility and no longer has access to on-site fueling for its white fleet vehicles. The district’s new location on Dean Avenue does not have fueling capability. Through ongoing collaborative discussions, respective staff from the City’s Fleet Services and DMPS determined the City can provide fueling services at a lower cost than the school district investment in new underground fuel storage tanks and fuel dispensers.

Shared fueling services will be provided to approximately 70 vehicles in the school district’s white fleet at the City’s main fuel terminal at 113 East Market. These cars, pickups, and vans use approximately 42,900 gallons of unleaded fuel annually. The school district will utilize the City’s EJ Ward automated fuel system and fuel costs will be billed monthly to the district at daily average rack costs plus a ten cent per gallon markup for overhead and administration. The ten cent markup is consistent with charges to internal fuel users.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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