

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: June 14, 2010
	Agenda Item No. 51D Roll Call No. [Roll Call] Communication No. <u>10-322</u> Submitted by: Merrill R. Stanley, Deputy City Manager

AGENDA HEADING:

Approving fueling system software upgrade.

SYNOPSIS:

Recommend approval to upgrade the software and hardware utilized by the EJWard Automated Fuel Management System for the system as submitted in quotes by E. J. Ward Inc., 8801 Tradeway, San Antonio, Texas 78217, Eddie J. Ward, President, totaling \$61,700 for system upgrade and first year maintenance agreement.

FISCAL IMPACT:

Amount: \$42,380 upgrade cost, to be offset by savings to annual maintenance costs of \$11,857 per year – payback 3.6 years.

Funding Source: \$25,340 Fleet Services Maintenance, CMO010401, FY2011 Recommended Operating Budget, page 49; \$17,040 Airport Operations Fund EN002 AIR040100, FY2011 Recommended Operating Budget, page 25.

ADDITIONAL INFORMATION:

The EJWard automated fueling system of software and hardware is used City-wide to dispense and track fuel usage for all departments. The system accounts for the dispensing of approximately 1.2 million gallons of fuel annually. The system was installed in 2000 and has been maintained through annual maintenance agreements with E. J. Ward Inc. Due to the age of hardware installed in the City’s 15 fuel terminals at Fleet Services, Aviation, Wastewater Reclamation Facility, and Fire Department locations, annual maintenance costs have increased and the system has experienced increased downtime. The current system captures fueling data and is supported through a dial up modem system that requires IT support time to maintain and troubleshoot when failures occur. In addition to decreased reliability in dispensing and accounting for fuel use, the original operating system is not compatible with the State of Iowa Department of Administrative Services current browser-based EJWard system. Therefore, for any shared fueling, data must be manually transferred to the City’s system.

Staff has negotiated an upgrade of hardware and software for all 15 locations at a cost of \$42,380. The upgrade includes the current browser-based software and installation of new hardware with network capability to eliminate the need for dial up modem data transfer and system maintenance and diagnostics. The installation of the new operating system will allow electronic data transfer for any fuel dispensed to

City vehicles at the State of Iowa fueling site. Fleet Services will be providing unleaded fueling services for approximately 70 vehicles in the Des Moines Public Schools white fleet, so reliability of the system needs to be maintained.

EJWard has also provided a quote for annual maintenance costs of the upgraded system of \$19,320 for the first year. This represents a decrease of \$11,857 over the existing annual maintenance agreement costs. Maintenance costs are based on usage, so future years could change, but will be reasonably close to the first year costs. The cost savings realized on the maintenance agreement will offset the cost of the upgrade in 3.6 years.

PREVIOUS COUNCIL ACTION(S):

Date: August 23, 2004

Roll Call Number: 04-1801

Action: Annual Service Agreement with E. J. Ward, Inc. for Automated Fuel Dispensing Management System. ([Council Communication No. 04-413](#)) Moved by Brooks to adopt. Motion Carried 6-1.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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