

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: November 8, 2010
	Agenda Item No. 63 Roll Call No. <u>10-1898</u> Communication No. <u>10-687</u> Submitted by: Merrill R. Stanley, Deputy City Manager

AGENDA HEADING:

Approving revised agreement for shared fueling services with the Des Moines Independent Public School District (DMPS).

SYNOPSIS:

Recommend approval of a revised shared fueling services agreement with the DMPS to fuel white fleet vehicles with unleaded gasoline at the City’s main fuel island. An agreement was originally approved on June 14, 2010. This revision is necessary to avoid complications with federal fuel tax issues. Other key provisions are unchanged.

FISCAL IMPACT:

Amount: \$3,700 net revenue, based on 8.7 cents/gallon overhead costs.

Funding Source: FY2011 Recommended Operating Budget, Fleet Services Maintenance, CMO010401, IS010, page 49.

ADDITIONAL INFORMATION:

The DMPS has relocated their vehicle support facility and no longer has access to on-site fueling for its white fleet vehicles. 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. The district’s new location on Dean Avenue does not have fueling capability.

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 an overhead and administrative fee of 8.7 cents per gallon will be billed periodically to the district. The 8.7 cent markup is consistent with charges to internal fuel users.

PREVIOUS COUNCIL ACTION(S):

Date: June 14, 2010

Roll Call Number: 10-986

Action: [Agreement](#) for shared fueling services between the City and The Des Moines Independent Community School District. ([Council Communication No. 10-318](#)) **Moved by Mahaffey to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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