



## **AGENDA MEMORANDUM**

Action Item for the City Council Meeting of February 8, 2022

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**DATE:** February 8, 2022

**TO:** Peter Zaroni, City Manager

**FROM:** Charles Mendoza, Director of Asset Management  
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<b>Retail Fuel Card Services</b>
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**CAPTION:**

Motion authorizing a one-year agreement with two one-year extensions with U.S. Bank National Association of Minneapolis, Minnesota in an annual amount of \$1,155,000.00 for fuel cards for the purpose of purchasing fuel for City vehicles to be utilized by Police, Fire and City staff, effective upon issuance of notice to proceed, with FY 2022 funds available in the Fleet Maintenance Service Fund.

**SUMMARY:**

Contractor has bid to provide Retail Fuel Cards for the purchase of unleaded gasoline, diesel, and compressed natural gas at retail locations. in the Corpus Christi area and remote locations within the State of Texas.

**BACKGROUND AND FINDINGS:**

Asset Management Fleet Maintenance Division and the Fire Department need a service agreement for the use of retail fuel credit cards. These cards are used at retail locations by first responders and remote locations for the purchase of fuel for City vehicles. These cards provide remote location purchases in lieu of traveling to the one Service Center Fuel Station located between Ayers and Holly on Civitan Road.

### **PROCUREMENT DETAIL:**

This procurement is through the Texas Smart Buy Cooperative. Contracts awarded through the Texas Smart Buy Cooperative have been competitively procured and are in compliance with Texas local and state requirements. The incumbent was Valero Marketing and Supply Co. who sold the Fleet Fuel Card program to WEX Bank of Carol Stream, IL in 2019. Fleet and Fire have been on month-to-month purchases.

### **ALTERNATIVES:**

The alternative would be that remote City vehicles and first responders would need to drive up to 80 miles to the Civitan Service Station to fuel. This would lead to slow first responder responses and remote Departments would need to find other means to fuel off site equipment and vehicles.

### **FISCAL IMPACT:**

The fiscal impact FY 2022 for the Fire Department will be \$335,000.00 and \$820,000.00 for Police and Remote locations.

The approximate total for the previous agreement was \$2,999,174.78. The proposed agreement is estimated to be \$1,155,000.00 per year. This is an estimated savings of over \$1,800,000.00 as compared to the previous agreement.

### **FUNDING DETAIL:**

Fund:	Various Funds see COF
Organization/Activity:	Various Organizations see COF
Mission Element:	Various see COF
Project # (CIP Only):	N/A
Account:	550050 Fuel & Lubricants

### **RECOMMENDATION:**

Staff recommends approval of this motion authorizing a one-year agreement with US Bank National Association of Minneapolis, Minnesota for retail fuel card services.

### **LIST OF SUPPORTING DOCUMENTS:**

Service Agreement – Available for Councilmembers upon request.