



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

10

2. Council Meeting Date:

March 24, 2011

TO: MAYOR & COUNCIL

3. Date Prepared: March 3, 2011

THROUGH: CITY MANAGER

4. Requesting Department: Management Services

5. SUBJECT: Approval to utilize the State of Arizona contract for Fleet Fuel Cards with US Bank/Voyager Fleet Card Services in an amount not to exceed \$220,000.

6. RECOMMENDATION: Recommend approval to utilize the State of Arizona contract for Fleet Fuel Cards with US Bank/Voyager Fleet Card Services in an amount not to exceed \$220,000.

7. HISTORICAL BACKGROUND/DISCUSSION: The primary use of the Voyager Fleet Fuel Card is to fuel Police Department motorcycles, Police Detective and Motor Pool vehicles. Police motorcycles require premium grade fuel, which is not provided by other contracted vendors. The Voyager Card allows City motorcycles to be fueled at most retail fuel vendors who accept credit cards. Police Detective and Motor Pool vehicle operators utilize the Voyager Card Program as these vehicle operators frequently require fueling outside of the City of Chandler city limits. Voyager forwards a consolidated monthly invoice, which identifies the City staff who authorized the respective fuel purchase along with the purchase date, time, location, gallons and purchase amount. Voyager Fuel Cards are fully integrated within the City's fleet fuel management software and financial reporting system. The primary advantage of the Voyager Fleet Fuel Card is that the respective purchase amounts are forwarded net of the Federal Excise Tax, from which the City is exempt, thereby eliminating the requirement to file a quarterly tax return to recover Federal Excise Tax paid at a retail fuel vendor. The Voyager contract is valid through December 31, 2012.

8. EVALUATION PROCESS: The requested service has been bid by the State Purchasing Office. By utilizing the State contract, the City of Chandler will save the costs and time associated with the bid process.

9. FINANCIAL IMPLICATIONS: Funds for the requested contract will come from General Fund, Fuel Inventory (101.0000.0000.1510) and are charged back to the using department.

10. PROPOSED MOTION: Move to approve use of the State of Arizona contract for fleet fuel cards with US Bank/Voyager Fleet Card Services in an amount not to exceed \$220,000.

APPROVALS

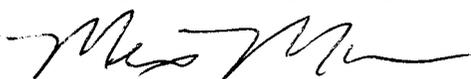
11. Requesting Department


Robert Coryea, Fleet Manager

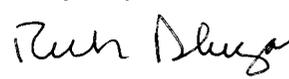
12. Department Head


Dennis Strachota, Management Services Director

13. Acting Purchasing Manager.


Mike Mandt, CPPB

14. Acting City Manager


Rich Dlugas