



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

20

2. Council Meeting Date:

January 23, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: January 7, 2014

THROUGH: CITY MANAGER

4. Requesting Department: Fire

5. SUBJECT: Fleet Fuel Card appropriation.

6. RECOMMENDATION: Recommend Council approves the appropriation of \$250,000 for fuel purchases using the Fleet Fuel Card program with US Bank/Voyager Fleet Card Services utilizing the State of Arizona contract.

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.

8. EVALUATION PROCESS: A Fleet Fuel Card service was bid by the State Purchasing Office in 2008 and was awarded to US Bank/Voyager Fleet Card Services. A contract was entered into for the period of December, 12, 2008 – April 18, 2015.

9. FINANCIAL IMPLICATIONS: Funds for the requested appropriation will come from General Fund, Fuel Inventory (101.0000.1510) and are charged back to the individual departments.

10. PROPOSED MOTION: Move to approve the appropriation of \$250,000 for fuel purchases using the Fleet Fuel Card program with US Bank/Voyager Fleet Card Services utilizing the State of Arizona contract.

APPROVALS

11. Requesting Department


James Johnson, Fleet Manager

12. Department Head


Jeff Clark, Fire Chief

13. Acting Purchasing Manager


Mike Mandt, CPPB

14. City Manager


Rich Dlugas