



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

**52**

**2. Council Meeting Date:**

June 26, 2008

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** June 5, 2008

**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 \$120,000.

**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 \$120,000.

**7. HISTORICAL BACKGROUND/DISCUSSION:** The primary use of the Voyager Fleet Fuel card is to fuel Police Department motorcycles and a limited number of motor pool vehicles, which travel outside of City limits. Police motorcycles require premium grade fuel, which is not provided by other contracted vendors. The Voyager Card allows City motorcycles to be fueled at virtually all retail fuel vendors. Voyager forwards a consolidated monthly invoice, which identifies the City staff who authorized the respective fuel purchase along with purchase metrics, such as date and time, location, gallons and purchase amount. The primary advantage of the Voyager Fleet Fuel card is the respective purchase amounts are forwarded net of the Federal Excise tax, from which the City is exempt, thereby eliminating the requirement to retain individual purchase receipts necessary to file a quarterly tax return to recover the federal excise tax paid at a retail fuel vendor.

The Voyager card was approved by council on January 31, 2008. The State has awarded a new contract to US Bank who is Voyager's corporate parent.

**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 \$120,000.

**APPROVALS**

**11. Requesting Department**

Robert Coryea, Fleet Manager

**12. Department Head**

Dennis Strachota, Management Services Director

**13. Procurement Officer.**

Mike Mandt, CPPB

**14. City Manager**

W. Mark Pentz