



SOUTH SAN ANTONIO INDEPENDENT SCHOOL DISTRICT

Agenda Item Summary

Meeting Date: November 15, 2017

Purpose: ☐ Report Only ☐ Recognition ☒ Discussion/ Possible Action

From: Jesse Berlanga, Director of Transportation

Item Title: Discussion and possible action to approve the purchase of consigned diesel and unleaded fuel from FleetCor (Texas Fleet Fuel), estimated cost of \$185,000 for the 2017-2018 school year.

Description:

Consent Item:

The Transportation Department is requesting approval to purchase consigned diesel and unleaded fuel to be used by all District vehicles. The district will be utilizing National IPA (Formally TCPN) Contract #R5127.

Recommendation:

To approve the purchase of consigned diesel and unleaded fuel from FleetCor (Texas Fleet Fuel) for the 2017-2018 school year.

District Goal/Strategy:

Strategy 5 We will prioritize district revenues to guide student future choices.

Funding Budget Code and Amount:

XXX-XX-6311-XXX-XXX-8XX-XXX

Estimated cost \$185,000

CFO Approval

A handwritten signature in black ink, likely belonging to the Chief Financial Officer, is written over the CFO Approval section.

APPROVED BY:

SIGNATURE

DATE

Chief Officer:

Superintendent:

Two handwritten signatures in black ink are present. The first signature is for the Chief Officer and the second is for the Superintendent.

10/30/17
11-9-2017



VENDOR WEBSITE

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**Contract: R161501 - Fuel Card Services and Related Products**

Apr 1, 2017 to Mar 31, 2020

Executive Summary

[Executive Summary](#)

Master Agreement Documents

[Official Signed Contract](#)[Award Letter](#)[Contract Award Documents \(Board Recommendation & Approval\)](#)

Response Evaluation

[Supplier Response](#)[Response Evaluation Summary](#)

Solicitation Process

[Original RFP Document](#)[RFP Addendum 1](#)[RFP Questions and Answers](#)[Proof of Publication](#)[RFP Opening Documents](#)

AGREEMENT FOR SERVICES

INTRODUCTION

Utilizing the TCPN Contract # R5127 (Fuel Cards & Related Services) Texas Fleet Fuel is able to provide fuel and reporting to South San Antonio ISD.

The parties are TEXAS FLEET FUEL, LTD. ("TFF"), P.O. Box 6026, Austin, Texas 78762 and SOUTH SAN ANTONIO ISD ("Subscriber"), 5622 Ray Ellison Blvd, San Antonio, TX 78242. The date of this proposal is June 12, 2015.

The parties agree to the following:

- a. Subscriber desires that TFF provide fleet fueling and reporting services at both Subscriber's facility and TFF's nationwide network of locations.
- b. TFF will install one TFF Control Terminal, in compliance with NEC Code, on Subscriber's fuel location in San Antonio.
- c. TFF will be the exclusive supplier of fuel for this property for the term of this agreement. TFF will perform fuel purchasing, maintain inventory levels and provide consigned fuel as set forth in this Agreement for Services (this "Agreement").

A1. Accountability and Control of Fuel

TFF Controls

TFF will provide a 24-hour, 7 day a week computer monitored and controlled fuel system. The absence of human intervention guarantees no ticket manipulation as the computer secures exact gallon accounting and billing.

TFF Access Cards

TFF will issue to Subscriber, at TFF's expense, all fuel access cards for each of Subscriber's vehicles and PIN numbers for each driver. Replacement cards/PINS are provided at no charge as well. The access cards provide the following:

- a. Vehicle and driver identification
- b. Security code identification
- c. Fuel type limitation
- d. Tank Capacity limitation

- e. Daily limits on fuel, oil and maintenance
- f. Weekly limits on fuel, oil and maintenance
- g. Time of day fuel restrictions

Management Controls Online

TFF agrees to provide all Subscriber card information and fuel transaction reporting online for Subscriber use. At TFF's password-protected Web site, Subscriber will be able to view and make changes to Subscriber's account:

- a. Issue, reissue, replace, renew, activate and deactivate cards
- b. Add, edit, lock, and unlock employees
- c. Create PINS for new employees
- d. Add, edit, lock and unlock vehicles
- e. View transactions
- f. View sites
- g. Print management reports and invoices

TFF Weekly Fleet Management Reports

TFF agrees to furnish weekly and or daily fleet management reports to Subscriber at no additional costs. These reports detail the fuel and maintenance transactions per vehicle giving the following information:

- a. Vehicle description
- b. Driver Name
- c. Date and time of fueling
- d. Location of Fueling
- e. Odometer Reading
- f. Miles per gallon per vehicle
- g. Gallons, current and extended price
- h. Total Consumption for the week
- i. Description of any service item purchased

Fuel consumption reports are to be transmitted to Subscriber either electronically (IBM compatible) or via printed program reporting. Weekly Motor Fuel Management Reports are made available on a weekly basis as part of the TFF basic package. Other reports include monthly motor fuel summary reports, site usage reports, tank inventory and usage information, maintenance reports and other custom reports are available on an optional basis.

B1. On-Site Equipment Installation

TFF will provide the following:

- a. One TFF Control Terminal (FCT) installed at the following fuel location:
5622 Ray Ellison Blvd, San Antonio, TX 78242.
- b. TFF will provide ongoing maintenance of the FCT equipment for the duration of the contract. The FCT equipment remains the property of TFF.

Subscriber costs

Subscriber agrees to pay for the following costs in connection with the installation of the FCT:

- a. Furnish and maintain a clean-dedicated 110 volt AC electrical circuit run from the FCT location of sufficient voltage and amperage to operate the FCT at the fuel island. All wiring must meet National Electrical Code. See Electrical requirements (Exhibit B).
- b. Furnish and maintain one dedicated data quality analog telephone line with voice capability at the fuel island location ordered from the telephone company to the FCT installed by TFF.
- c. Furnish and maintain functioning commercial dispensers or pumps with gallon pulsers for interface with the FCT.
- d. Provide pump calibrations at FCT installation with annual fuel pump calibrations thereafter.

C1. TFF Consignment Fuel

TFF will provide Consigned fuel at its expense at sufficient levels for Subscriber use. TFF will pay all inventory carrying costs and all costs involving routine care of TFF's electronic equipment.

Upon site start-up, TFF will purchase existing fuel inventory from the Subscriber site where TFF is installing the FCT. TFF will credit Subscriber for the number of gallons in inventory at the last delivery price plus applicable freight and taxes. From then on, Subscriber pays only for fuel usage detailed as in TFF's Weekly report and invoice.

Inventory Reconciliation

TFF is responsible for all inventory shortages except those caused by leaks in

Subscriber's tank or theft by Subscriber employees. Subscriber, as owner/operator of the UST/AGST System (as defined in paragraph, Regulatory Compliance), retains full responsibility for regulatory compliance as set forth in this agreement, including release detection.

Subscriber authorizes TFF to review the fuel level in the underground or aboveground storage tank from time to time and to make fuel deliveries to Subscriber's underground/aboveground storage tank when the fuel level in the tank warrants a delivery as determined by TFF's inventory control department. TFF's review of the fuel level shall be for the purpose only of determining when to make the next fuel delivery and in what quantity. TFF's review of the fuel level shall not be for the purpose of release detection. Release detection is the responsibility of Subscriber.

Performance

TFF agrees to respond to a reported equipment malfunctions within 24 hours. If unable to repair equipment immediately, TFF will provide alternative fueling locations at no added cost to Subscriber. TFF guarantees to have all TFF supplied equipment repaired within 10 working days total, allowing time for ordering of replacement parts. Please note that if unable to repair equipment immediately, TFF agrees to have terminal put in manual mode allowing Subscriber fuel access. Prior to placing in manual mode, TFF would obtain tank inventory reading and bulk bill Subscriber for fuel used while in manual mode.

TFF agrees to maintain an adequate supply of fuel inventory as required by customer's usage. TFF assumes no responsibility for fuel outages caused by strikes, riots, floods, fire or acts of God or any other cause beyond the control of TFF. Should an outage occur, TFF would provide fueling locations at no additional cost to Subscriber, until the site has been supplied with fuel. Should an outage or equipment failure occur repeatedly due to the negligence of TFF, TFF would be in default of this agreement.

Regulatory Compliance

Subscriber hereby acknowledges that they are the owner and/or operator of all underground and/or above ground storage tank(s), connected underground/above ground piping, ancillary equipment and containment systems, (herein after referred to as the "UST/AGST System"). TFF has no control of, or responsibility for, the operation of the UST/AGST System. As operator of the UST/AGST System, Subscriber is responsible for compliance, and shall strictly comply, with current and future federal, state and local laws and regulations applicable to the UST/AGST System, as well as all other pertinent environmental laws and

regulations. Without limiting the generality of the foregoing, Subscriber shall be responsible for compliance with the following requirements with respect to the UST/AGST System: registration; payment of all registration, monitoring, maintenance and other fees; reporting; record keeping; replacements; release detection, reporting, investigation, containment, response and corrective actions; assurance of financial responsibility; closure; and compensation of claims for bodily injury, death, exemplary damages, property damage and natural resource damages caused by or arising from, in whole or in part, a release from any UST/AGST System.

Subscriber warrants to TFF that (a) if required by applicable law, the UST/AGST System is registered with the appropriate regulatory agencies, and (b) the UST/AGST System is in compliance with applicable federal, state and local design, construction, installation, repair, corrosion protection, release prevention and detection and containment requirements. Upon request from TFF, proof of registration of the UST/AGST System and compliance by Subscriber with applicable federal, state, and local laws and regulations pertaining to the UST/AGST System will be provided. TFF shall have no responsibility, obligation or liability with respect to the ownership or operation of any UST/AGST System or compliance with federal, state, or local laws and regulations applicable to an owner or operator of the UST/AGST System. Subscriber agrees to defend, indemnify and hold harmless TFF from and against any and all liabilities, losses, costs, damages, fines, penalties and expenses (including attorneys' fees and environmental response costs) in any way arising out of, pertaining to, or in any way connected with, the UST/AGST System or a release therefrom. The defense, indemnity and hold harmless provisions of this paragraph shall survive termination of this Agreement and shall continue in full force and effect.

Any risk of loss, injury, or destruction of fuel delivered to Subscriber property, from any cause whatsoever, except negligence or willful destruction by TFF, shall be borne by Subscriber from the time the fuel arrives on the property.

Fuel delivered by TFF shall be delivered free of contaminants. Subscriber shall maintain the security of such fuel and shall ensure that contaminants are not introduced into such fuel. Subscriber shall bear any costs associated with replacement of contaminated fuel contaminated at the property, damages caused by contaminated fuel and/or fuel losses through theft. TFF shall have the right (but not obligation) to inspect fuel quality at any time during normal business hours of the Subscriber.

Any claim for defective fuel or any other fuel delivery-related claim is waived by Subscriber unless made within forty-eight (48) hours after delivery hereunder. Once the fuel has been delivered to the Subscriber's property, the sole responsibility for it shall rest with Subscriber.

This agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns.

If either party employs attorneys to protect or enforce its rights under this agreement and prevails, the non-prevailing party agrees to pay the prevailing party's reasonable costs so incurred (including, but not limited to attorneys' fees, and all other arbitration costs and expenses, including, but not limited to, deposition costs, travel, and expert witness fees, incident to any suit, action, proceeding, threatened suit, action, proceeding, threatened suit or action, inquiry, or investigation or the defense of any claim), in addition to any other relief to which either party may be entitled.

It is expressly agreed and stipulated that this Agreement shall be deemed to have been made in and shall be interpreted under and governed by the laws of the State of Texas.

Any notice or other communication required or permitted hereunder must be in writing and must be (I) delivered personally, (II) sent by facsimile transmission, or (III) sent by certified mail, return receipt requested, with postage prepaid. Any such notice will be deemed given when so delivered personally, the date sent by facsimile transmission, or if sent by certified mail, three business days after the date of deposit in the mail. Any notice must be sent to the following address:

Texas Fleet Fuel
4911 East 7th Street
Austin, TX 78702
512-381-2800
512-381-2828 (fax)

Termination

In the event of termination of this agreement, Subscriber shall immediately release to TFF all TFF equipment provided to Subscriber. In the event of termination, Subscriber hereby authorizes TFF to enter upon the property of Subscriber to remove said equipment in the least intrusive manner possible.

If Subscriber terminates agreement before end of contract period, Subscriber agrees to notify TFF in writing 30 days prior to the agreement termination. In the event Subscriber fails to give the 30 day written notice, Subscriber would pay an additional average month's gallons, times the \$.0119 per gallon fixed mark-up. In addition, Subscriber would pay the unamortized portion of the equipment (equipment depreciated on 60 month straight line basis) and would re-purchase

the existing fuel inventory from TFF at the last invoiced price, plus \$.119 mark-up.

Base Term of Agreement

The initial term of this agreement is 60 months, with two (2) one year renewal options. The base term shall begin upon completion of installation of equipment.

Accounting Costs

Pricing to Subscriber on-site will be based on TFF's cost of fuel for that day's bobtail delivery, plus a fixed mark-up of \$.119 per gallon and applicable taxes. The prices are adjusted to the bobtail delivery cost for that day and invoiced to Subscriber. The price per gallon will change with each new delivery using the OPIS daily posting for that delivery, plus mark-up, and applicable taxes.

Pricing to Subscriber off-site will be based on TFF's cost of fuel plus a fixed mark-up of \$.12 per gallon, plus freight and taxes. Cost at Cost Plus Sites is determined by using the actual rack refiner price as defined by the Oil Price Information Service (OPIS) Thursday posting. The prices are adjusted on a weekly basis to the OPIS delivery cost for that week and invoiced to Subscriber. The payment terms are weekly. Included in this price are all of TFF's computer reporting and credit costs, profit and overhead. TFF will provide the OPIS pricing information to assure Subscriber of fair pricing.

Attached to this agreement is the TFF Application for Access Card (the application). All terms of the Application are incorporated herein by reference. Signing of this Agreement by TFF and Subscriber shall reflect agreement to all terms of the application for access cards. In the event of inconsistencies between the application for access cards and this agreement, this agreement shall govern the relationship of the parties.

CONCLUSION


TFF proposes to automate your facilities so you may realize the same savings in accounting for fleet fueling as thousands of other businesses and government agencies presently on the TFF system. We anticipate you will experience a 10% reduction in fuel consumption solely as a result of having automated pumps. Further savings will be realized as a result of decreased labor costs in keypunching and editing fuel consumption, as well as, relief from daily concerns about the adequacy of inventories and accounting for consumption. TFF can also provide a vehicle monthly, year to date and life to date vehicle maintenance report for a fraction of the cost of other systems or manual procedures. As you become more familiar with our services, we hope you will always think of us to assist you in any of your fleet needs.

AGREEMENT APPROVALS:

Subscriber hereby agrees to and contracts for the TFF basic package of services described above, as well as additional services as follows:

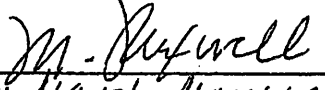
Date: 08-04-2015

SUBSCRIBER

BY: 
Name: ANDY A. ROCHA
Title: DIRECTOR OF FACILITIES AND
TRANSPORTATION

Date: 8/4/2015

TFF

BY: 
Name: Mark Maxwell
Title: VP Sales

*BOARD APPROVED - JULY 15, 2015