



City of San Antonio

Agenda Memorandum

File Number:17-3533

Agenda Item Number: 18.

Agenda Date: 6/15/2017

In Control: City Council A Session

DEPARTMENT: Building and Equipment Services

DEPARTMENT HEAD: Jorge A. Perez

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Interlocal Agreement for Use of Propane fuel facilities

SUMMARY:

This ordinance authorizes the City Manager or designee to enter into an Interlocal Agreement with the San Antonio Independent School District (SAISD) for use of propane fuel facilities for its planned fleet of propane fueled school buses.

BACKGROUND INFORMATION:

The Building and Equipment Services Department (BESD) is responsible for providing fleet maintenance and repair services as well as fuel to City owned vehicles and equipment. SAISD has expressed an interest in utilizing the City's propane facilities to fuel its prospective fleet of propane fueled school buses. SAISD anticipates that this agreement will enhance the chances of approval of its application for a grant the proceeds of which, if approved, will be used to purchase the propane fueled school buses. The City currently has Interlocal Agreements to provide one or more of these services to VIA, CPS Energy, SAHA, and Lackland ISD, at budget approved rates adopted through ordinance each fiscal year. This agreement shall terminate on June 30, 2019 and may be extended for up to two (2) one-year extensions. Any such extension shall be authorized in writing on the City's behalf by the BESD Director.

ISSUE:

This ordinance authorizes an Interlocal Agreement between the City of San Antonio and SAISD for the use of the City's propane fuel facilities through June 30, 2019 with up to two (2) one-year extensions. SAISD anticipates consuming approximately 10,000 diesel gallon equivalents of propane fuel monthly for a total estimated annual cost of \$114,345.

ALTERNATIVES:

The City may elect to deny services to SAISD, which would require SAISD to purchase this fuel service from another provider.

FISCAL IMPACT:

This ordinance authorizes an Interlocal Agreement with the San Antonio Independent School District (SAISD) for use of propane fuel facilities for its planned fleet of propane fueled school buses. SAISD will be charged at rates set forth in the agreement and the estimated annual payment to the City from SAISD is \$114,345. Payment from SAISD will be deposited in, and costs to the City will be incurred in, the Fleet Services Fund.

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing an Interlocal Agreement between the City of San Antonio and SAISD for use of the City's propane fuel facilities through June 30, 2019 with the option of two (2) additional one-year extensions.