



# City of Columbus

Office of City Clerk  
90 West Broad Street  
Columbus OH 43215-9015  
columbuscitycouncil.org

## Legislation Text

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**File #:** 1697-2011, **Version:** 1

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**Background:** Fuel prices have risen dramatically since the 2011 budget was formulated and adopted. The cost of all fuel types (unleaded and diesel) and contracts (bulk and retail) has risen from the budgeted blended rate of \$2.60 per gallon in 2010 to a blended price of \$3.51, as of the end of August. At times, diesel fuel prices have exceeded \$4.00 per gallon and unleaded fuel prices have exceeded \$3.75 per gallon. Accordingly, the costs to operate large equipment like Refuse, Fire, Transportation, Sewer, and Power and Water vehicles has greatly exceeded budgeted amounts.

This legislation authorizes the Finance and Management Director to issue purchase orders to purchase bulk fuels (diesel and bio diesel) and credit card fuel for the Fleet Management Division.

Formal competitive bids were taken by the Purchasing Office and universal term contracts are in place for bio-diesel fuel with the Central Ohio Farmers Co-op and for credit card fuel with Voyager Fleet System, Inc.

**Fiscal Impact:** The Fleet Management Division budgeted \$9,734,751.00 for fuel in 2011, at an average blended rate of \$2.80 per gallon. The city uses approximately 3.5 million gallons of diesel and unleaded fuel per year. An earlier ordinance (0040-2011 & 0998-2011) authorized the entire budget of \$9,734,751.00 for fuel purchases this year.

At the present price of fuel, the Fleet Management Division will exhaust current appropriations for fuel purchases by the end of October 2011. Therefore, these purchase orders are contingent on Ordinance 1704-2011 which will transfer appropriation within the Fleet Management Fund 513. The Fleet Management Division spent \$7.6 million (on 3.4 million gallons of fuel) in 2009 and \$8.9 million (on 3.5 million gallons of fuel) in 2010.

**Emergency action** is requested to ensure an uninterrupted supply of fuel. Nearly 92 percent of overall fuel use is for basic services provided by the Police, Fire, Refuse, Transportation, Power and Water, and Sewer Divisions.

Voyager Fleet Systems, Inc. Contract Compliance Number 76-0476053, expiration date 11/11/2012.  
Central Ohio Farmers Co-Op Inc. Contract Compliance Number 31-1717226, expiration date 08/23/2013.  
Franklin County Dept Fleet Management Contract Compliance 31-6400067, expiration date EXEMPT.

To authorize the Finance and Management Director to issue purchase orders with various vendors for the provision of automobile fuel ; to authorize the expenditure of \$604,000.00 from the Fleet Management Services Fund; and to declare an emergency. (\$604,000.00)

**WHEREAS**, the Finance and Management Department, Fleet Management Division has a need to purchase bio/diesel bulk fuel and universal credit card purchases for use by various City department vehicles; and

**WHEREAS**, this ordinance is contingent upon Ordinance 1704-2011 which will transfer appropriation within the Fleet Management Funds 513 thereby allowing for these purchase orders to be established; and

**WHEREAS**, Universal Term Contracts (UTC) have been established through the formal competitive bid process for the purchase of bulk fuels and credit card fuels; and

**WHEREAS**, because these fuels are used for the operation of various city vehicles, this ordinance is being submitted for consideration as an emergency measure; and

**WHEREAS**, an emergency exists in the usual daily operation of the Finance and Management Department, Fleet Management Division, in that it is immediately necessary to issue purchase orders for bulk fuels and credit card fuels, to ensure an uninterrupted fuel supply thereby preserving the public health, peace, property, safety, and welfare; now, therefore:

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**SECTION 1.** That the Finance and Management Director is hereby authorized to issue a purchase order with Central Ohio Farmer's Co-op for Ultra Low Sulfur Diesel and Bio Diesel fuel in accordance with the Universal Term Contract FL004417, which expires 02/28/2012.

**SECTION 2.** That the expenditure of \$100,000.00, or so much thereof that may be necessary in regard to the action authorized in Section 1, be and is hereby authorized and approved as follows:

Division: 45-05

Fund: 513

OCA code: 451347

Object Level One:02

Object Level Three: 2286

Amount: \$100,000.00

**SECTION 3.** That the Finance and Management Director is hereby authorized to issue a purchase order with Voyager Fleet Systems Inc, for universal fuel credit card services, in accordance with the Universal Term Contract FL001215 which expires 07/31/2012.

**SECTION 4.** That the expenditure of \$200,000.00, or so much thereof that may be necessary in regard to the action authorized in Section 3 and 4, be and is hereby authorized and approved as follows:

Division: 45-05

Fund: 513

OCA code: 451347

Object Level One:02

Object Level Three: 2280

Amount: \$200,000.00

**SECTION 5.** That the Finance and Management Director is hereby authorized to issue a purchase order with Voyager Fleet Systems Inc, for universal fuel credit card services, in accordance with the Universal Term Contract FL001215 which expires 07/31/2012 from AC031971-002 from Ordinance 0040-2011

Division: 45-05

Fund: 513

OCA code: 451347

Object Level One:02

Object Level Three: 2280

Amount: \$304,000.00

**SECTION 6.** That for reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage, if the Mayor neither approves nor vetoes the same.