



City of Austin

Recommendation for Action

File #: 24-5696, **Agenda Item #:** 9.

10/10/2024

Posting Language

Authorize negotiation and execution of an amendment to a contract for continued fuel credit card services with Wex Bank d/b/a Wright Express Fsc, to increase the amount by \$1,500,000 and to extend the term by one year for a revised total contract amount not to exceed \$3,694,398.

Lead Department

Financial Services Department.

Client Department(s)

Fleet Mobility Services Department.

Fiscal Note

Funding in the amount of \$750,000 is available in the Fiscal Year 2024-2025 Operating Budget of Fleet Mobility Services Department.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

MBE/WBE:

This contract was awarded in accordance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this contract, there were no subcontracting opportunities.

Prior Council Action:

June 10, 2021 - Council approved a contract for fuel credit card services with Wex Bank d/b/a Wright Express Fsc.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at: FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Additional Backup Information:

This contract is for various City departments to purchase fuel at commercial retail fueling facilities in areas of Austin, surrounding counties, and other locations where the City does not currently have City-owned fueling facilities (i.e. out of town). Fuel cards used to purchase fuel are issued to City staff for the following reasons:

1. High compression motorcycle engines are recommended to use premium fuel. Fleet does not carry this fuel type in any City-owned fueling facility.
2. All Public Health and Safety departments including Austin Police, Austin Fire and Emergency Medical

Services (EMS), and departments who provide services in areas where a City-owned fueling station is not nearby (e.g., EMS services Travis County, not just Austin).

3. Emergency response and/or disaster relief and mutual aid.
4. City business travel.

This contract offers the ability to manage spending with purchase limits and the ability to track and verify transaction data from each fuel card. In addition, monthly rebates are offered based on gallons purchased.

An amendment to the contract is needed to allow for continued fuel card services and authority to accommodate additional time while the City works to develop and negotiate a replacement contract. The requested additional authority for this contract was determined using departmental estimates based on historical spend and considers a small annual growth for fuel price fluctuations.

The Sourcewell Cooperative is a cooperative purchasing association recognized under Texas procurement statute. Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

If the proposed amendment is not approved, the City will not have reliable access to fuel vehicles throughout the City and surrounding areas, impacting Austin Police Department's ability to fuel its motorcycles. Additionally, this is not a fueling option provided by the Fleet and Mobility Services Department fueling stations.