



Office of the City Manager

CONSENT CALENDAR  
June 25, 2024

To: Honorable Mayor and Members of the City Council  
From: Dee Williams-Ridley, City Manager  
Submitted by: Terrance Davis, Director, Public Works  
Subject: Purchase Order: WEX Fuel Card Program for Fueling of City Vehicles

RECOMMENDATION

Adopt a Resolution satisfying requirements of City Charter Article XI Sections 67.2 allowing the City to participate in Sourcewell contract bid procedures, and authorizing the City Manager to execute a multi-year purchase order for the WEX Fuel Card Program for fueling City vehicles in an amount not to exceed \$1,500,000 through June 30<sup>th</sup>, 2029.

FISCAL IMPACTS OF RECOMMENDATION

The WEX Fuel Card Program will not exceed \$1,500,000 during the contract period and includes both refueling and charging of fleet vehicles. Funding for this program is subject to appropriation in Public Works' Equipment Maintenance Fund (Fund 672) budget for bulk fuel purchases for FY 2025. Additionally, funding will be appropriated over the next four fiscal years (FY 2026 to FY 2029) in the Equipment Maintenance fund during the annual budget process.

CURRENT SITUATION AND ITS EFFECTS

Public Works provides fueling to all City fleet vehicles at two locations within the City, the Corporation Yard located at 1326 Allston Way and the Transfer Station located at 1201 Second Street. Staff vehicle operators must spend time traveling across the City to refuel at these locations. This creates increased traffic at these sites. If fuel pumps are down for maintenance or repair, this limits the number of stations that operators can use to refuel.

The WEX Fuel Card Program allows cities to refuel vehicles at commercial gas and electrical charge stations which is critical in the event of emergency or if the City's fueling locations are out of service. This includes charging of electrical and hybrid vehicles. The City has 15 stations within City limits that can be used, including national fueling chains. WEX can also be used outside a city's limits to allow for fueling in case an operator needs to travel longer distances and needs to refuel which is critical for Police and Fire during mutual aid support operations.

The WEX Fuel Card Program would supplement the majority of Public Works' fueling work by providing additional fueling options for vehicles operators. This will decrease traffic at the Corporation Yard and Transfer Station, reduce time spent by operators to travel and refuel at those sites, and give operators more refueling options in case of emergency or if City fuel pumps are down for maintenance and repair. Rollout will start with Police and Fire Department fleet vehicles and then expand to all other City departments.

The WEX Fleet Fueling program also provides several additional benefits to the City. WEX provides reporting functionality to control access of funds, alerts on preset card limits, price comparison between WEX affiliated fueling stations, and real-time tracking of fuel usage, which can be integrated into Public Works' Assetworks Management System.

This purchase will support the City's Strategic Plan Goal of creating a resilient, safe, connected, and prepared City.

#### BACKGROUND

City Charter XI Section 67.2 allows the City to purchase goods without undergoing a competitive bid process if the City utilizes pricing obtained by another entity through a competitive process.

The City has been a no-cost member of Sourcewell formerly National Joint Powers Alliance (NJPA), a municipal contracting agency operation under the legislative authority of Minnesota Statue 123A.21.

The original 1978 statue was revised in 1995 to allow government clients to better meet their specific needs through participation in a service cooperative, rather than paying the higher cost associated with individual procurement. Sourcewell allows participating municipal agencies to leverage the benefits of cooperative purchasing and reduces procurement costs. Sourcewell serves all educational, government, and non-profit agencies nationwide, and offers cooperatively contracted products, equipment and service opportunities to government entities throughout the U.S.

All Sourcewell contracts have been competitively solicited nationwide. On June 18, 2020, Sourcewell released Request for Proposal No. 080620, fleet payment solutions for related services, which included purchases for fuel and electric charging station fees for fleet vehicles. The solicitation was released for approximately 48 days and four proposals were submitted and received. Upon review, the Sourcewell proposal evaluation committee selected WEX Bank as the best most responsive proposer to meet the specifications thusly awarding Contract No. 080620-WEX.

For all contracts, Sourcewell charges an administrative fee based upon a percentage of

the sales, and that fee is paid by the Sourcewell. In this instance, an additional fee of 1% will be paid by Sourcewell Contract holder WEX Bank and this cost will not be passed on to the City.

On December 12, 2023, the City approved Resolution 71,040-N.S., authorizing the City Manager to execute a multi-year purchase order with Pinnacle Petroleum, Inc. for bulk purchases of diesel and gasoline. Public Works will still continue to provide fuel for City fleet vehicles, utilizing the aforementioned contract, however the WEX Fleet Fueling Program will ensure that operators can efficiently refuel where ever they are working.

#### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The WEX Fuel Program provides key fobs to pay for Electrical Vehicle charging. This supports the electrification of the City's fleet and provides additional charging options for vehicle operators as the City continues to build out its electrical charging infrastructure.

#### RATIONALE FOR RECOMMENDATION

The WEX program will provide City of Berkeley vehicle operators several more options for refueling their vehicles, saves staff time and costs by having operators travel less distance to refuel, and reduces traffic at the Corporation Yard and Transfer Station. It will also provide an alternative to the City's fuel islands in the event of emergency or it being out of service.

#### ALTERNATIVE ACTIONS CONSIDERED

The City can continue to only utilize the Corporation Yard and Transfer Station fueling islands, but this will limit fueling options during emergency situations.

#### CONTACT PERSON

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Peni Basalusu, Deputy Director, Public Works, 510-981-6485  
Greg Ellington, Superintendent, Public Works, (510) 981-6469

#### Attachment:

1: Resolution: Purchase Order: WEX Fuel Card Program for Fueling of City Vehicles

RESOLUTION NO. ##,###-N.S.

PURCHASE ORDER: WEX FUEL CARD PROGRAM FOR FUELING OF CITY  
VEHICLES

WHEREAS, City of Berkeley Public Works needs vehicle operators to have the ability to refuel and charge their vehicles at additional locations throughout the City; and

WHEREAS, the WEX Fleet Fueling Program allows vehicle operators to refuel and charge their vehicles at participating fueling stations; and

WHEREAS, City Charter XI Section 67.2 allows the City to purchase goods without undergoing a competitive bid process if the City uses pricing obtained by another entity through a competitive bid process; and

WHEREAS, on June 18, 2020, Sourcewell released Request for Proposal No. 080620 fleet payment solutions for related services, which included purchases for fuel and electric charging station fees for fleet vehicles. The solicitation was released for approximately 48 days and four proposals were submitted and received. Upon review, the Sourcewell proposal evaluation committee selected WEX Bank as the best most responsive proposer to meet the specifications thusly awarding Contract No. 080620-WEX; and

WHEREAS, Sourcewell contract bid procedures satisfy the procurement requirements of the City of Berkeley; and

WHEREAS, funds will be allocated from the FY 2025 baseline budget in Equipment Maintenance Fund 672 and funds for additional years will be appropriated from the through the annual budget process.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a purchase order for the WEX Fuel Card Program for fueling of City of Berkeley vehicles in an amount not to exceed \$1,500,000 through June 30, 2029.