

## AGENDA BRIEFING

**COMMITTEE:** Land Use and Transportation  
**MEETING DATE:** August 28, 2012

**LINE ITEM:**  
**AMOUNT:**

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### ISSUE:

Intergovernmental Agreement with City of Peoria for fuel usage

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### BACKGROUND/DISCUSSION:

One of the recommendations from PASS Forward to the MetroPeoria Committee was to evaluate joint fueling operations. A recommendation that comes out of that evaluation is the attached intergovernmental agreement. The basis of the agreement stems from the fact that the County has an E-85 fleet, but no real means to refuel. This agreement allows for the County to fuel any of its fleet at any City fueling station.

The Committee was previously briefed on an Intergovernmental Agreement that would allow County vehicles to refuel at the City's primary fueling station on Dries Lane. The express intent was to offer an alternative specific to E-85 flex-fueling options, since there is currently only one retailer in Peoria County selling E-85. However, the Agreement was drafted so that the County would be able to fuel any vehicle using any fuel type available from the City. The Agreement included a surcharge from the City to the County in the amount of 15¢ per gallon. The County's Land Use and Transportation Committee took up the Agreement during the last week of June as part of the County's approval process, and requested that the surcharge be re-examined. The County's committee requested comparable data on the fueling agreement, specific to E-85. The question to be answered is whether or not it is cost effective for the County to fuel cars, especially the Flex Fuel capable vehicles in the County's fleet, at the City's Dries Lane facility.

To be able to answer the question, the current state should be articulated. It is as follows:

- The County has no internal fueling capabilities for E-85

- The City has a 10,000 gallon tank used for E-85 fueling at its Dries Lane facility

- E-85 is available commercially at two (2) locations in Peoria County (Bartonville and Dunlap)

- Of the County's 200 on-highway vehicles, 30% are Flex Fuel capable, meaning they could use E-85

- The County's current usage of E-85 is zero

- Within two (2) miles of the City's Dries Lane facility, there are 13 County vehicles being used by eight (2) departments

- Of those 13 vehicles, only one (1) is Flex Fuel capable

- In fiscal year 2011, these 13 vehicles used 5,169 gallons of regular unleaded gasoline at a cost of \$15,927 or about \$3.08 per gallon

As of July 9, 2012, the at-the-pump price in Bartonville and Dunlap for E-85 was \$3.04 per gallon, and regular unleaded gasoline was \$3.14 when specific taxes both governments are exempt from paying are removed from the price

As of July 9, 2012, the City's E-85 price, including the 15¢ per gallon surcharge, was \$2.68

How the City uses the 15¢ per gallon surcharge:

- Fuel key purchase

- Programming of fuel keys

- Fuel system software licensing

- System maintenance

- Purchasing activities

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**COUNTY BOARD GOALS:**

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**STAFF RECOMMENDATION:**

Approve the Intergovernmental Agreement.

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**COMMITTEE ACTION:** Approved (6-0)

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**PREPARED BY:** Scott Sorrel

**DEPARTMENT:** County Administration

**DATE:** August 17, 2012

**INTERGOVERNMENTAL AGREEMENT  
BETWEEN COUNTY OF PEORIA AND CITY OF PEORIA  
REGARDING FUEL USAGE**

This Agreement effective and commencing on \_\_\_\_\_, 2012, by and between the COUNTY OF PEORIA, a body politic and corporate of the State of Illinois, hereinafter called the COUNTY, and the CITY OF PEORIA, hereinafter called the CITY.

**WITNESSETH:**

WHEREAS, the City of Peoria (hereinafter referred to as the "City"), purchases fuel, including E85, as part of its Fleet Management Program; and

WHEREAS, the County of Peoria (hereinafter referred to as the "County") has requested that it participate in the City's Fleet Management Program to the extent that it can acquire fuel from the City when convenient; and

WHEREAS, the City and the County are entering into this Agreement pursuant to their authorities as set forth in Article VII, Section 10 of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act (5 ILCS 220/1); and

NOW THEREFORE, the City and the County hereby agree as follows:

**I. THE CITY'S RESPONSIBILITIES**

1. The City will provide access to the County to the City's fuel system acquired as part of the City's Fleet Management Program. This access will be on a twenty four hour basis through a key system presently being utilized by the City. The City shall furnish and maintain these keys.

**II. THE COUNTY'S RESPONSIBILITIES**

1. The County shall pay to the City the actual cost of the fuel purchased by the City which is provided to the County. This cost shall include any and all Federal, State and local taxes which may be imposed upon the City's purchase of fuel plus an administrative fee of \$0.15 per gallon.
2. The County understands and agrees that it will be provided fuel only to the extent that fuel is available and that the City's use of this fuel for City owned vehicles has a priority over County owned vehicles.
3. The County shall indemnify and shall otherwise hold harmless the City against any loss or damage (including reasonable attorney fees and other costs of investigation and litigation) which may be caused or necessitated by the acts or omissions of the County or the acts or omissions of the County's agents or employees.
4. The County shall pay to the City any and all amounts for loss or damage suffered by the City as a result of damage to the City's personal property and equipment which may result through its use by the County in obtaining fuel.

5. The County shall keep in force during the terms of this Agreement Workmen's Compensation, occupational disease and employer's liability insurance coverage's in amounts required by Illinois State law.

III. **GENERAL CONDITIONS**

A. **TERM AND TERMINATIONS**

1. This Agreement shall become effective on the date that the last party executes it.
2. This Agreement may be terminated by either party with or without cause upon giving thirty (30) days written notice by certified mail to the other party of said termination.

B. **INVOICES**

1. The City shall prepare and submit a monthly invoice setting forth the amounts of fuel, identified by type, acquired by the County through this Agreement. This invoice shall also include the amounts owed to the City for the acquisition of the fuel. The County shall pay to the City the amounts set forth on the invoice within sixty (60) days after receipt thereof.

C. **NOTICES**

1. All notices to the City shall be addressed and set to the City at:

*City of Peoria  
Public Works Department  
3505 N. Dries Lane  
Peoria IL 61604*

2. All notices sent to the County shall be addressed and sent to the County at:

*Peoria County Highway Department  
6915 W. Plank Road  
Peoria, IL 61604*

D. **ASSIGNMENT**

Neither the City nor the County may assign or transfer this Agreement nor any part thereof, without the written consent of the other party.

E. **EQUAL EMPLOYMENT OPPORTUNITY**

The County will not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, ancestry or national origin, place of birth, age or handicap unrelated to bona fide occupational qualification or status as a disabled veteran or Vietnam Era veteran. County will take affirmative action to comply with the provision of Section 6.5-51 of the Peoria County Purchasing Ordinance.

County will distribute copies of its commitment not to discriminate to all persons who participate in recruitment, screening, referral and selection of job applicants, and prospective job applicants.

County agrees that the provision of Section 6.5-51 of the Peoria County Purchase Ordinance are hereby incorporated into this Agreement by reference, as if they were set out verbatim. County further agrees that the provisions of the Illinois Human Rights Act (775 ILCS 5/1-101 et. Seq.) as hereinafter amended, are hereby incorporation into this Agreement by reference and made a part of hereof.

In addition to remedies and notwithstanding any other remedies the parties may have under this Agreement or at law, the City may recover from the County by set-off against the unpaid portion of the contract price the sum of Fifty Dollars (\$50.00) per day as liquidated damages and not as a penalty, for each day that the County fails to comply with the affirmative action provisions of this Agreement as determined by the Director and the Peoria County Affirmative Action Committee. This said sum being fixed and agreed upon by and between the City and County because of the impracticability and extreme difficulty of affixing and ascertaining the actual damages which the City would sustain in the event of such a breach of contract and said amount is agreed to be the amount of damages which the City would sustain.

F. **INDEPENDENT CONTRACTOR RELATIONSHIP**

The parties specifically agree and understand that County is an independent contractor. The employees or agents of County are not now nor shall they be deemed to be employees of the City and the employees of the City are not now nor shall they be deemed to be employees of County.

G. **SEVERABILITY**

If any portion of this Agreement shall be, for any reason, invalid or unenforceable, the remaining portion or portions shall, nevertheless, be valid or enforceable and carried into effect, unless to do so would clearly violate the present legal and valid intention of the parties hereto.

H. **ENTIRE AGREEMENT**

This Agreement and the attachments hereto contain the entire agreement between the parties with respect to the subject matter hereof. No change or modification of this Agreement shall be valid unless the same be in writing and signed by the parties. No waiver of any provisions of this Agreement shall be valid unless the same be in writing and signed by the person or party to be charged.

**THE CITY OF PEORIA**

**THE COUNTY OF PEORIA**

By: Patrick Urich  
Patrick Urich  
City Manager

By: \_\_\_\_\_  
Lori Curtis Luther  
County Administrator

Date: 5/25/12

Date: \_\_\_\_\_

ATTEST: Mary Hynes  
City Clerk

ATTEST: \_\_\_\_\_  
County Clerk

Date: 5/25/12

Date: \_\_\_\_\_

**APPROVED**  
LEGAL DEPT.  
BY: Pamela RB

TO THE HONORABLE COUNTY BOARD )  
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COUNTY OF PEORIA, ILLINOIS )

Your Land Use and Transportation Committee does hereby recommend the passage of the following Resolution:

**Intergovernmental Agreement with City of Peoria for fuel usage**

**RESOLUTION**

WHEREAS, the County Board and City Council is desirous of increased collaborative efforts between the agencies; and

WHEREAS, the County of Peoria and the City of Peoria both have fueling needs for their respective fleet;

WHEREAS, the County of Peoria and the City of Peoria agree to extend the convenience of fueling opportunities to the other agency;

NOW THEREFORE BE IT RESOLVED that the County of Peoria enter into the Intergovernmental Agreement with the City of Peoria to use one another's fueling sites.

BE IT FURTHER RESOLVED, that the County Administrator be authorized to sign the Intergovernmental Agreement.

Respectfully submitted,  
Land Use and Transportation Committee