

**VILLAGE OF DOWNERS GROVE**  
**REPORT FOR THE VILLAGE COUNCIL WORKSHOP**  
**NOVEMBER 25, 2008 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Intergovernmental Agreement with SEASPAR for the Joint Purchase of Vehicle Fuel	✓ Resolution Ordinance Motion Discussion Only	Robin A. Weaver Interim Director of Public Works

**SYNOPSIS**

A resolution has been prepared authorizing an Intergovernmental Agreement for the Joint Purchase of Gasoline and Diesel Fuel between the South East Association for Special Parks and Recreation (SEASPAR) and the Village of Downers Grove.

**STRATEGIC PLAN ALIGNMENT**

The Five Year Plan and Goals for 2007-2012 identified *Partner with Others*. A supporting definition of this mission is *Working with Other Local Governments – School Districts, Park District, Library and Sanitary District for the Benefit of the Community*.

**FISCAL IMPACT**

N/A.

**RECOMMENDATION**

Approval at a future Village Council Meeting.

**BACKGROUND**

The Village of Downers Grove owns and operates a central vehicle fueling facility located at the Public Works Facility at 5101 Walnut Avenue. All Village vehicles use this site to fuel. In addition, the Village has intergovernmental agreements with a number of other local agencies such as the Downers Grove Sanitary District and Downers Grove Grade School District 58 for the purpose of dispensing fuel to these agencies. Through this cooperation, the Village has the opportunity to offer fuel to other agencies at significant cost savings compared to open market pump prices.

The proposed resolution would put into place an agreement with SEASPAR for the purpose of dispensing fuel to this agency. SEASPAR's Board approved this agreement on November 18, 2008. Highlights of this agreement include the following:

- SEASPAR will operate the fuel pumps per Village operating procedures.
- SEASPAR will pay for fuel in the amount equal to the Village's cost plus \$0.15 per gallon for each gallon dispensed. These additional dollars will be placed in a separate account for the purpose of funding maintenance of the fueling system. This is the same concept now being applied to all Village Departments. This concept will provide for adequate funding of system maintenance and further provides for equity in payment for this maintenance. For example, if Public Works consumed 35% of the fuel, then Public Works would pay 35% of future maintenance. As of this writing, unleaded fuel costs the Village \$1.89 to buy in bulk quantities.
- The Village will allow SEASPAR to purchase vehicle fuel at Village facilities.

**ATTACHMENTS**

Resolution

Intergovernmental Agreement between the South East Association for Special Parks and Recreation (SEASPAR) and Village of Downers Grove

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING EXECUTION OF AN  
AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE  
AND SOUTH EAST ASSOCIATION  
FOR SPECIAL PARKS AND RECREATION (SEASPAR)**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois,  
as follows:

1. That the form and substance of a certain Agreement (the “Agreement”), between the Village of Downers Grove (the “Village”) and South East Association for Special Parks and Recreation (“SEASPAR”), for the joint purchase of gasoline, diesel fuel and compressed natural gas, as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

\_\_\_\_\_  
Mayor

Passed:

Attest: \_\_\_\_\_  
Village Clerk

**AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE  
VILLAGE OF DOWNERS GROVE AND SOUTH EAST ASSOCIATION FOR SPECIAL  
PARKS AND RECREATION (SEASPAR) FOR THE JOINT  
PURCHASE OF GASOLINE, DIESEL FUEL AND COMPRESSED NATURAL GAS**

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_, between South East Association for Special Parks and Recreation, a special recreation association with offices at 4500 Belmont Road, Downers Grove, IL 60515 (“SEASPAR”) and the Village of Downers Grove, a municipal corporation with offices at 801 Burlington Avenue, Downers Grove, Illinois 60515 (the “VILLAGE”) concerning the joint purchase of gasoline, diesel fuel and compressed natural gas.

WHEREAS, the Village and SEASPAR are public agencies within the meaning of the Illinois "Intergovernmental Cooperation Act", as specified at 5 ILCS220/1, et seq., and are authorized by Article VII, Section 10 of the Constitution of the State of Illinois to cooperate for public purpose; and

WHEREAS, the purpose of the Intergovernmental Cooperation Act and Article VII of the Constitution of the State of Illinois includes fostering cooperation among governmental bodies; and

WHEREAS, it is more cost-effective for the VILLAGE and SEASPAR to purchase gasoline, diesel fuel and compressed natural gas jointly in large quantities; and

WHEREAS, the VILLAGE owns a fueling facility.

NOW, THEREFORE, in consideration of the mutual covenants and agreement herein set forth and other good and valuable consideration, SEASPAR and VILLAGE hereto agree as follows:

**1.0 Incorporation of Recitals.**

1.1 The provisions of the preamble are incorporated herein and made a part hereof.

**2.0 SEASPAR Responsibilities.**

2.1 SEASPAR shall join with the VILLAGE for the purchase of certain gasoline, diesel fuel and compressed natural gas (collectively “fuels”), which fuels shall be used exclusively for SEASPAR’S governmental operations.

2.2 SEASPAR shall inform the VILLAGE, in writing, prior to the January 1 of each successive year during the term of this Agreement of the estimated quantities of each fuel SEASPAR is expected to use during each month for the subsequent twelve (12) months.

2.3 SEASPAR shall provide the VILLAGE with a list of SEASPAR employees, or agents, authorized to fuel SEASPAR vehicles at the fueling facility together with a list of the vehicles to be fueled. The vehicle list shall include the following information for each SEASPAR vehicle: make, model, license plate number.

2.4 SEASPAR shall pay the VILLAGE for the cost of each key fob issued to SEASPAR employees, or agents, including any replacement costs for lost, stolen or damaged key fob. The cost shall be

the then current purchase price the VILLAGE had to pay for the key fob, which price is \$8.00 as of the effective date of this Agreement.

- 2.5 SEASPAR employees and agents shall comply with VILLAGE rules and regulations concerning use of the key fobs which have been provided to SEASPAR in writing, including, but not limited to, the following: (a) The key fob shall only be used by the person to whom it was issued; (b) The key fob and any fuels obtained using the key fob shall be for SEASPAR governmental operations only; (c) The person to whom the key fob is issued shall be responsible for any unauthorized use of the key fob; (d) If the key fob or fuels obtained using the key fob are used for personal purposes, or for purposes other than SEASPAR governmental operations, the person will be subject to criminal prosecution for theft in addition to any other available administrative or civil penalty; and (e) Any lost or stolen key fob shall be immediately reported to the VILLAGE'S Public Works Department.
- 2.6 SEASPAR shall be financially responsible for all fuel dispensed pursuant to key fobs issued to SEASPAR employees or agents.
- 2.7 In addition to fuel costs, SEASPAR shall also pay the VILLAGE a monthly fee for fueling facility equipment and maintenance cost ("Service Fee"). The service fee shall be calculated as follows: number of gallons dispensed to SEASPAR in the preceding month multiplied by \$0.15 per gallon (or gallon equivalent). The \$0.15 per gallon, or gallon equivalent for natural gas, service fee is subject to modification by the VILLAGE depending on the VILLAGE'S actual fueling facility equipment and maintenance costs incurred. However, the Village shall not increase the service fee more often than one time per year and SEASPAR shall have thirty (30) days written notice of any such change.
- 2.8 Nothing contained herein shall be deemed to obligate or require SEASPAR to use or pay for any particular quantity of fuels obtained by the VILLAGE, or to exclusively use the VILLAGE'S fuel. SEASPAR may use fuels in excess of its estimated monthly quantities. SEASPAR may obtain fuels from sources other than the VILLAGE.

### **3.0 Village Responsibilities.**

- 3.1 In addition to fuels needed for Village operations, the VILLAGE shall contract for and arrange for delivery of SEASPAR'S estimated fuel quantities. The VILLAGE shall accept delivery thereof at the VILLAGE'S fueling facility ("fueling facility") located at 5101 Walnut Avenue, Downers Grove.
- 3.2 The VILLAGE shall issue a key fob, to each person on the list, which will allow said SEASPAR employee to access the fueling facility. SEASPAR shall notify the VILLAGE immediately of any changes in personnel authorized to fuel vehicles at the fueling facility. The key fob of any person no longer authorized to fuel SEASPAR vehicles shall be immediately returned to the VILLAGE.
- 3.3 The VILLAGE shall invoice SEASPAR once per month for all fuel dispensed SEASPAR use, together with its service fee charges. The invoiced amount shall be the per gallon (or gallon equivalent) charge by the vendor multiplied by the number of gallons (or gallon equivalent) dispensed together with the service fee, as calculated in accord with Paragraph 2.7, above. The

per gallon (or gallon equivalent) charge shall be based on the most recent fuel purchase cost paid by the VILLAGE. Payment shall be due 30 days from the invoice date.

#### **4.0 Joint Warranties and Responsibilities.**

- 4.1 SEASPAR warrants that the fuel it jointly purchased under this Agreement is for its exclusive use for its governmental operations such that the sale of the fuel is exempt from federal excise tax.
- 4.2 As requested by the vendor, the parties agree to cooperate in execution of any necessary federal excise tax exemption certificates.
- 4.3 The VILLAGE warrants that it shall, at all times while this Agreement remains in effect, comply with all applicable bidding laws and shall be solely responsible for the administration of any such bids.
- 4.4 At all times while this Agreement remains in effect, each party shall procure adequate insurance and/or self-insurance to protect itself, its officers, employees and agents from any liability for bodily injury, death, and property damage in connection with the fueling of its vehicles.
- 4.5 That each party shall indemnify and hold the other party harmless against any loss, damage, claim, demand or lawsuit incurred as a result of any omission or action taken by the party, its employees or agents, to the fullest extent allowed under law.
- 4.6 Either party may terminate this Agreement upon thirty (30) days written notice to the other party. There shall be no termination fees or expenses.
- 4.7 SEASPAR and VILLAGE shall each comply with all local, State and Federal requirements now in force, or which may hereafter be in force, pertaining to this Agreement.
- 4.8 This Agreement may be amended or modified only by written instrument signed, and properly executed, by both SEASPAR and VILLAGE.

#### **5.0 Miscellaneous Terms.**

- 5.1 The invalidity or enforceability of any of the provisions of this Agreement shall not affect the validity or enforceability of the remainder of this Agreement.
- 5.2 This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance.
- 5.3 The term of this AGREEMENT shall begin on the date the AGREEMENT is fully executed, and shall continue in full force and effect until terminated in accord with Paragraph 4.6, above.
- 5.4 All notices required to be provided under the Agreement shall be in writing and served either (a) personally during regular business hours; (b) facsimile transmission during regular business hours; or (c) by registered or certified mail, return receipt requested, properly addressed with postage prepaid and deposited in the United States mail. Notices served upon the VILLAGE shall be

directed to the Village Clerk, Village of Downers Grove, 801 Burlington Avenue, Downers Grove, Illinois 60515.

Notices served upon SEASPAR shall be directed to the Executive Director of SEASPAR, with offices at the 4500 Belmont Road, Downers Grove, IL 60515. Notices served personally or by facsimile transmission shall be effective upon receipt, and notices served by mail shall be effective upon receipt as verified by the United States Postal Service.

5.5 The provisions set forth herein represent the entire agreement between the parties and supersedes all previous communications or understandings, whether oral or written, regarding such matter.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year above written.

VILLAGE OF DOWNERS GROVE

SEASPAR

By: \_\_\_\_\_  
Ronald L. Sandack, Mayor

By \_\_\_\_\_  
Susan B. Friend, Executive Director

ATTEST:  
By: \_\_\_\_\_  
Village Clerk

ATTEST:  
By: \_\_\_\_\_