

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
SEPTEMBER 9, 2014 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Intergovernmental Agreement with the Downers Grove Park District for the Joint Purchase of Vehicle Fuel	✓ Resolution Ordinance Motion Discussion Only	Nan Newlon, P.E. Director of Public Works

SYNOPSIS

A resolution has been prepared authorizing an Intergovernmental Agreement for the Joint Purchase of Natural Gas, Gasoline and Diesel Fuel between the Downers Grove Park District and the Village of Downers Grove.

STRATEGIC PLAN ALIGNMENT

The goals for 2011-2018 identified *Exceptional Municipal Services* and *Steward of Financial and Environmental Sustainability*.

FISCAL IMPACT

N/A

RECOMMENDATION

Approval on the September 9, 2014 consent agenda.

BACKGROUND

The Village owns and operates a central vehicle fueling facility located at the Public Works Facility providing unleaded and diesel fuel and compressed natural gas (CNG). All Village vehicles use this site to fuel. In addition, the Village has intergovernmental agreements that allow several agencies access to the Village's fuel site including the Downers Grove Sanitary District, Downers Grove Grade School District 58, the Village of Lisle, the Village of Westmont, and DuPage County 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 the Park District for the purpose of dispensing fuel to this agency. Highlights of this agreement include the following:

- The Park District will operate the fuel pumps per Village operating procedures.
- The Park District will pay for fuel in the amount equal to the Village's cost plus \$0.10 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.
- The Village will allow the Park District to purchase vehicle fuel at Village facilities.

ATTACHMENTS

Resolution
 Intergovernmental Agreement

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL
AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE
AND THE DOWNERS GROVE PARK DISTRICT FOR THE
JOINT PURCHASE OF NATURAL GAS, GASOLINE AND DIESEL FUEL**

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 the Downers Grove Park District (the "District"), for the joint purchase of natural gas, gasoline and diesel fuel, 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

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE VILLAGE OF DOWNERS GROVE AND
THE DOWNERS GROVE PARK DISTRICT FOR
THE JOINT PURCHASE OF NATURAL GAS, GASOLINE AND DIESEL FUEL

THIS AGREEMENT (“Agreement”), is made and entered into as of the 21st day of August, 2014 (“Agreement Date”) by and between the VILLAGE OF DOWNERS GROVE, ILLINOIS, an Illinois municipal corporation, (the “Village”), and the DOWNERS GROVE PARK DISTRICT (“the District”).

RECITALS

WHEREAS, Article VII, Section 10, of the Illinois Constitution of 1970 encourages and provides for units of local government to contract or otherwise associate among themselves to obtain or share services; and

WHEREAS, the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.* further authorizes intergovernmental cooperation; and

WHEREAS, the Village and the District are “units of local government” as defined by Article VII, Section 1, of the Constitution of the State of Illinois and are authorized to contract and agree with one another on matters of mutual concern; and

WHEREAS, the Village operates a fueling facility, which has gasoline, diesel fuel and compressed natural gas (CNG), located at its Public Works Facility, 5101 Walnut Ave, Downers Grove (“fueling facility”); and

WHEREAS, it is more cost effective for the Village and the District to cooperate to purchase gasoline, diesel fuel and CNG in larger quantities.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. The above recitals are hereby incorporated into this Agreement as if fully set forth in this paragraph 1.

2. The District will join with the Village for the purchase of certain CNG, gasoline and diesel fuel to be used exclusively for their governmental operations.

3. The District shall inform the Village in writing prior to each January 1st during the term of this Agreement of the estimated number of gallons (or gallon equivalent) of gasoline, diesel fuel and CNG it is expected to need each month for the subsequent twelve (12) months.

4. Together with the fuel needed for Village operations, the Village will contract for, and arrange for delivery of, the District's estimated number of gallons (or gallon equivalent) of gasoline, diesel fuel and/or CNG to the Village's fueling facility.

5. The District shall provide the Village with a list of persons who are authorized to fuel District vehicles at the Village's fueling facility. The list shall also include the make, model and license plate number of the District's vehicles to be fueled at the fueling facility, which shall be updated by the District whenever necessary or at a minimum, by January 1 of each year. The Village and District will cooperate to arrange those training sessions necessary for the listed District personnel to use the fueling equipment.

6. The Village will issue a key fob to each person on the list which will allow the person to access the fueling facility. The District shall notify the Village immediately of any changes in personnel authorized to use the key fobs. The District shall pay the Village for the cost of each key fob issued to the District, including any replacement costs for lost, stolen or damaged key fobs (2014 price for a key fob is \$15.00). The cost shall be the then current purchase price paid by the Village for each key fob. Key fobs of any person no longer authorized to fuel District vehicles shall be immediately returned to the Village.

7. District employees and agents shall comply with Village rules and regulations concerning use of the key fobs, 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 fuel obtained using the key fob shall be for the District's 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 fuel obtained using the key fob is used for personal purposes or for purposes other the District 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.

8. The District shall be financially responsible to the Village for all fuel or CNG dispensed pursuant to key fobs issued to the District. The District shall have the further right to pursue all remedies available against third parties for any unauthorized use of the fob or fuel.

9. The Village will invoice the District once a month for all fuel or CNG dispensed for District use. The invoiced amount will be the per gallon (or gallon equivalent) charge by the vendor multiplied by the number of gallons (or gallon equivalent) dispensed. 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 thirty (30) days from the invoice date.

10. The District shall also pay to the Village a monthly fee for fueling facility equipment and maintenance costs. This fee shall be calculated as follows: number of gallons (or gallon equivalent) dispensed to the District in the preceding month multiplied by \$.10 per gallon (or gallon equivalent). Upon 60 days' notice to the District, the \$.10 per gallon (or gallon equivalent) charge may be changed by the Village depending on actual fueling facility equipment and maintenance costs incurred. The Village will invoice the District monthly for this fee and payment shall be due thirty (30) days from the invoice date. In exchange for and recognition of

the payment of a fee by the District toward the capital costs of the fueling facilities, the Village will take all reasonable actions necessary to make the fueling facilities reasonably accessible to the District and its vehicles and personnel. The District shall use the fueling facilities with reasonable care but (other than to pay for damages caused by District personnel or vehicles) shall have no responsibility for maintaining or repairing the fueling facilities unless otherwise agreed to by the parties.

11. Both Parties warrant that the gasoline, diesel fuel or CNG it jointly purchases under this Agreement is for each party's exclusive use for official governmental operations such that the sale of thereof is exempt from federal excise tax. If requested by the vendor, the Parties agree to cooperate in execution of any necessary federal excise tax exemption certificates.

12. 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.

13. 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.

14. The District releases, waives, discharges and covenants not to sue, for itself and its officers, agents, representatives, and employees, the Village, its officers, agents, representatives, and employees from all liability, including any and all rights and claims for damages, losses, demands, and any other actions whatsoever, whether arising under the laws of the United States or of any State, including the Workers' Compensation Act, or under any theory of law or equity, which it may have for any and all injuries, losses, damages or illnesses suffered by the District,

which may, in any way whatsoever, arise out of, be related to or be connected with the use of the fueling facility or receipt of gasoline, diesel fuel or CNG

15. Either party may terminate this Agreement upon thirty (30) days written notice to the other party.

16. This Agreement will be governed by and construed in accordance with the laws of the State of Illinois without regard for the conflict of laws provisions. Venue is proper only in the County of DuPage, Illinois.

17. The waiver by one party of any breach of this Agreement or the failure of one party to enforce at any time, or for any period of time, any of the provisions hereof will be limited to the particular instance and will not operate or be deemed to waive any future breaches of this Agreement and will not be construed to be a waiver of any provision except for the particular instance.

18. This Agreement will not be subject to amendment unless made in writing and signed by all parties.

19. If any section, paragraph, clause or provision of this Agreement shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Agreement.

20. Any notice will be in writing and will be deemed to be effectively served when deposited in the mail with sufficient first class postage affixed, and addressed to the party at the party's place of business.

Notices shall be addressed to the parties as follows:

Village Manager
Village of Downers Grove
801 Burlington Ave.
Downers Grove, IL 60515

Downers Grove Park District
2455 Warrenville Road
Downers Grove, IL 60515

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

VILLAGE OF DOWNERS GROVE

DOWNERS GROVE PARK DISTRICT

Mayor



President

ATTEST:

Clerk



Secretary