



Agenda Item Summary

File #: RES 19-302, **Version:** 1

Submitted By

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Reviewed By

LKS

Agenda Item Title

A Resolution Approving an Intergovernmental Agreement between the Village of Oak Park and Oak Park Elementary School District 97 for the Purchase of Fuel at the Village's Fueling Facility and Authorizing its Execution

Overview

The Village maintains a fueling facility for gasoline and diesel at the Public Works Center. Elementary School District 97 approved an Intergovernmental Agreement on September 10, 2019 to continue to take advantage of the Village's bulk purchasing of fuel and thus realize a savings in fuel purchasing. The attached Intergovernmental Agreement (IGA) would formalize this service.

Recommendation

Approve the Resolution.

Fiscal Impact

Per the terms of the IGA, District 97 would reimburse the Village monthly for fuel used at the market rate the Village pays per gallon, plus applicable taxes. In addition, the school will pay the Village \$0.21 (twenty one cents) per gallon for the Village's administrative and maintenance costs for supplying fuel.

Background

The Village maintains a fueling facility at the Public Works Center. Fuel includes gasoline and diesel. Several Oak Park taxing bodies currently utilize the Village's fuel facility to take advantage of the combined purchasing power for this purchase.

There is currently no IGA with District 97 for fueling at the Public Works Center. This IGA would memorialize the terms of an agreement.

The Village purchases fuel monthly. Since the Village is a taxing body, it is not required to pay all taxes for fuel. The Village does however pay the Underground Storage Tank taxes, Illinois Excise tax and the Environmental Impact Fees. Thus, the Village is able to pay a lower price per gallon than purchasing the fuel retail.

Highlights of the IGA include each user paying the Village's monthly rate per gallon of fuel purchased, including applicable taxes and freight plus an administrative and maintenance fee of \$0.21 (twenty one cents) per

gallon. Included in the administrative and maintenance fee (price per gallon) is the administrative cost for processing reported usage, invoicing and record keeping, annual maintenance of the fueling system and each users share for projected capital improvements to manage the system.

Alternatives

The Board can delay action to gain additional information.

Previous Board Action

This is the first IGA with District 97 for fueling. The Village Board approved the same agreements with Park District, D200, Library and Township.

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

As the IGA's expire they will be brought back to the Village Board for consideration.

Intergovernmental Cooperation Opportunities

This is an excellent example of local taxing bodies utilizing their combined purchasing power to reduce overall costs.