



## REQUEST FOR BOARD ACTION

ITEM NO. 14.

**DATE OF MEETING:** April 22, 2014

**REQUESTED BY:** Michael G. Mack, Utilities Director/Butch Watson, Finance Officer

**SHORT TITLE:** Resolution Authorizing Acceptance of the Fuel Management Services of “Go Energies” to Provide Three (3) County-Owned Fuel Depot Stations, Fuel Cloud Software from GE Software, Inc. and Wireless Communications at each Depot Location in the Not-To-Exceed amount of \$300,000 for the Tanks and Equipment and \$800 per month for the Fuel Management Software Support and Concierge Service and the Authorization of a Purchase Order for the contract.

**BACKGROUND:** Over the last two years, fuel management options for Pender County have been on the decrease and on January 21, 2014, our current fuel management provider, Springer-Eubank Company (A Worsley Company) provided notice to the County and Pender EMS & Fire that as of April 16, 2014, they were discontinuing fuel services at the two major fuel depots used by County and Pender EMS & Fire fleet vehicles and that those vehicles would now have to fuel at their “Retail” locations and “Bulk” fuel pricing would be discontinued.

After contacting several fuel management providers such as Voyager, WEX, Global Fuels, and Go Energies, County staff and Pender EMS & Fire found that the best and most cost effective method to control the declining fuel options and bulk fuel costs, would be to purchase and own our own fuel depots. With the County owning the tanks and associated hardware, we would then be able to solicit our own competitive bids for bulk fuel and save an average of \$0.20 per gallon on fuel. With the County and Pender EMS vehicles and equipment using on average 360,000 gallons per year, the bulk fuel savings would translate to approximately \$72,000 per year.

Go Energies of Wilmington has presented a quote and proposal for fuel management solutions that includes the construction, installation, freight, and setup for three (3) fuel stations to be placed on County or Pender EMS properties in Burgaw, Rocky Point, and Hampstead and owned by the County; a fleet fuel management software (Fuel Cloud); fuel use tracking and fuel tank level monitoring; and Wireless Communications between the fuel stations and the Fuel Cloud tracking system. The proposal includes the total capital expenditure for the provision of three (3) Ekos Fuel Stations at \$100,000 each and a monthly expenditure for all the software, card readers, wireless communication from the card readers to the tracking software, and fuel tank level monitoring of the sites at \$800 per month.

**SPECIFIC ACTION REQUESTED:** Consider acceptance of the Go Energies fuel management proposal dated April 9, 2014 and authorization to issue a Purchase Order in the amount of \$309,600 for the capital expenditure to secure three (3) fuel stations and the first year of software and fuel management services.

**COUNTY MANAGER'S RECOMMENDATION**

Respectfully recommend approval.

CBW  
Initial

**RESOLUTION**

**NOW, THEREFORE BE IT RESOLVED** by the Pender County Board of Commissioners that:

the Go Energies fuel management proposal dated April 9, 2014 is hereby accepted in the amount of \$309,600 for the capital expenditure to secure three (3) fuel stations and the first year of software and fuel management services is authorized. Installment Financing over a five (5) year period is intended be used to secure this equipment and software with payments not to exceed \$70,000 per year for five (5) years.

Contingency

Fund # 999-499400

Not to exceed \$70,000

The Chairman/County Manager is authorized to execute any document necessary to implement this resolution.

**AMENDMENTS:**

MOVED \_\_\_\_\_ SECONDED \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ UNANIMOUS

YEA VOTES: Williams \_\_\_ McCoy \_\_\_ Brown \_\_\_ Tate \_\_\_ Brown \_\_\_

\_\_\_\_\_  
David Williams, Chairman      04/22/14  
Date

\_\_\_\_\_  
ATTEST      04/22/14  
Date

April 9, 2014

Claiburn B. Watson  
County of Pender, North Carolina

Mr. Watson:

Thank you for providing me the opportunity to meet with you to demonstrate the fuel management solutions offered by Go Energies. Based on our discussion and evaluation of your fuel site(s), I am pleased to present this quote for three (3) Ekos Stations and the Fuel Cloud software. In short you will find that the total capital expenditure will be \$300,000 and the monthly expenditure for all of the software and communications fees will be \$800.



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|---|--|
| <p><b>(3) 12,000 gallon Dual Product Ekos Stations</b><br/> <i>Includes Install, Freight, and Setup</i><br/> <i>Pender must provide the concrete pad &amp; electricity (specs will be provided)</i><br/> <i>This does not include any engineering drawings or costs for getting the sites approved by the Fire Marshall or any other regulatory entity in Pender County</i></p> | <p>\$100,000 each = <b>\$300,000</b></p> |
| <p><b>(3) Wireless Communications Fee - for the Card Reader communication at each tank using Verizon Network (per month per site)</b></p>   | <p>\$65.00 per site = <b>\$195</b></p>   |
| <p><b>(3) Inventory Monitoring Fee – There will be (2) Inventory monitors on each tank (1 for each compartment).</b></p>  | <p>\$35.00 per site = <b>\$105</b></p>   |
| <p><b>Fuel Cloud Enterprise Software Fee (monthly for 3 sites)</b><br/> <i>Includes all modules...Bulk Fuel, Fuel Sites, and Fleet Card. Also includes all upgrades</i></p>   | <p><b>\$500</b></p>                      |
| <p><b>(3) Optional Annual Warranty for Card Reader</b></p>  | <p>\$1,500 each = <b>\$4,500</b></p>     |
| <p><b>(6) Optional Annual Warranty for Inventory Monitors</b></p>   | <p>\$300 each = <b>\$1,800</b></p>       |

*The remainder of this page intentionally left blank. Signature page follows.*

By signing below, County of Pender, North Carolina agrees to purchase three (3) 12,000 gallon dual product Ekos Stations and license the Fuel Cloud software from GE Software, Inc. at the rates stated herein. In order to commence tank production, a thirty-five percent (35%) deposit will be required. The deposit required herein equals One Hundred Five Thousand and 0/100 Dollars (\$105,000.00) and tank production will be authorized once this amount has been received. A separate Fuel Cloud software agreement will be provided.

GE Software, LLC

County of Pender, North Carolina

By: PHIL DONROLL  
(Printed Name)

By: CLAREBURN B. WATSON  
(Printed Name)  
ASSISTANT COUNTY MANAGER/  
FINANCE OFFICER

PRESIDENT  
Title

ASSISTANT COUNTY MANAGER/  
FINANCE OFFICER  
Title

[Signature]  
Signature

Clareburn B. Watson  
Signature

4/9/14  
Date

4/9/14  
Date



January 16, 2014

After much analysis of our fleet fueling program, we have made the decision to change card processors for our fleet fueling cards. The new card system, Intevacon, will be a proprietary card only; limiting purchases to sites operated by Springer-Eubank Company that will give us additional controls on credit limits and payment terms.

Due to the increased carrying costs of account receivables, increased fuel inventory costs, maintenance and credit card fees; we have made the decision to go back to the proprietary type of program away from the current CFN Fleetwide card. We will issue new fuel cards to all active customers during this conversion process and will distribute prior to the site conversions. We do not have a firm conversion date as of yet, but expect the transition to occur in mid to late February and wanted to reach out and make you aware of this change well in advance.

In addition to making this change, we will be closing lower volume sites that are not cost effective to keep operational. The sites to be closed include Burgaw Cardlock and some Wilmington locations. We will continue to accept the Springer-Eubank Company fleet fueling card on the new Intevacon system at Phoenix Travel Center in Rocky Point; Phoenix Mart 755 in Wards Corner/Burgaw; Phoenix Mart 753 in Wallace.

We look forward to servicing you at our Phoenix Travel Center and Phoenix Mart locations.

Please feel free to contact me with any questions or concerns regarding the above changes.

Respectfully,

A handwritten signature in black ink that reads "Greta Stanley".

Greta Stanley  
Executive Vice President

cc: Cecil Worsley, Springer-Eubank Company, Inc

123 Shipyard Boulevard, Wilmington, NC 28412  
910.343.1991 (Phone) 910.343.8551 (Fax)



## Fuel Card Locations

### **Coastal Fuels Cardlock**

123 Shipyard Blvd  
Wilmington, NC 28412  
*Gas & Hwy Diesel*  
*Off Rd Diesel available M-F 7:30 – 5:00*

### **Phoenix Travel Center 308**

13493 NC Hwy 210  
Rocky Point, NC 28457  
*Gas, Hwy Diesel & Off Rd Diesel*

### **Phoenix Mart 753**

304 S Norwood Street  
Wallace, NC 28466  
*Gas Only*

### **Phoenix Mart 755**

14531 US Hwy 421  
Burgaw, NC 28425  
*Gas & Hwy Diesel*

### **Phoenix Mart 760**

2726 Shipyard Blvd  
Wilmington, NC 28403  
*Gas Only*

### **Wrightsboro Food Mart**

2636 Castle Hayne Rd  
Wilmington, NC 28401  
*Gas & Hwy Diesel*

### **Phoenix Mart 68**

3481 Hwy 9  
Little River, SC 29566  
*Gas Only*

### **Phoenix Mart 72**

1708 Hwy 17  
Little River, SC 29566  
*Gas Only*

123 Shipyard Boulevard, Wilmington, NC 28412  
910.343.1991 (Phone) 910.343.8551 (Fax)