



TOWN OF
QUEEN CREEK
ARIZONA

Intergovernmental Agreement
Queen Creek Unified School District
for Fuel Cost Sharing

Town Council

November 2, 2011

Troy White- Public Works Division Manager

Lee Barnes- Fire Battalion Chief





Fleet

Fuel Savings and Alternatives









Background:

- During FY 2011/2012 budget discussion Council requested staff to research options for fuel savings
- Staff researched alternative fuels and partnership opportunities for cost sharing
- Staff is not recommending use of alternative fuels at this time
- Staff is recommending approval of an IGA with Queen Creek Unified School District (QCUSD) for fuel cost sharing



Fuel Alternatives

- *Ethanol (E85):*
- *Bio-Diesel:*
- *Straight Vegetable Oil and Waste Vegetable Oil*
- *Black Diesel*
- *Hydrogen Systems*

	Cost Prohibitive	Lack of Infrastructure	Requires Professional In-House Staff
Ethanol (E85)			
Bio-Diesel			
Vegetable Oil			
Black Diesel			
Hydrogen Systems			



Fuel Alternatives

Staff recommendation:

Continue to research and monitor fuel alternative progress, specifically hydrogen alternatives. Forward recommendations to council when economically viable solutions are available.

Fuel Savings



Buy in Bulk


Partner with local agency





IGA- QCUSD Fuel Cost Sharing

- QCUSD owns and operates a vehicle fueling station located on Ellsworth Road north of Rittenhouse Road
- IGA allows the Town to use the station to fuel Town vehicles and equipment
- The IGA Has been approved by the QCUSD Board
- IGA initial period is for 24 months
- IGA Automatically renews annually thereafter



IGA- QCUSD Fuel Cost Sharing

- IGA requires the installation of AIM2 system on Town vehicles
 - Estimated cost \$275 per vehicle
 - \$19,800 total cost
- Town to pay QCUSD 1% of purchased fuel for administration cost (ordering, tracking, paying vendor, etc.)
 - Estimated at \$150 per month
- Town to pay proportionate share of annual software update
 - Currently estimated to be 40% or \$3,800

1

1) Driver inserts the nozzle.



2) RF/ID Tag on the nozzle activates the dispenser.

2



For passive fueling,
remember two words:

**FUELMASTER
&
AIM2.**

4

4) FMU reads data and records transaction. Transaction ends when nozzle is removed.



3

3) AIM2 transmits vehicle data to the FMU.



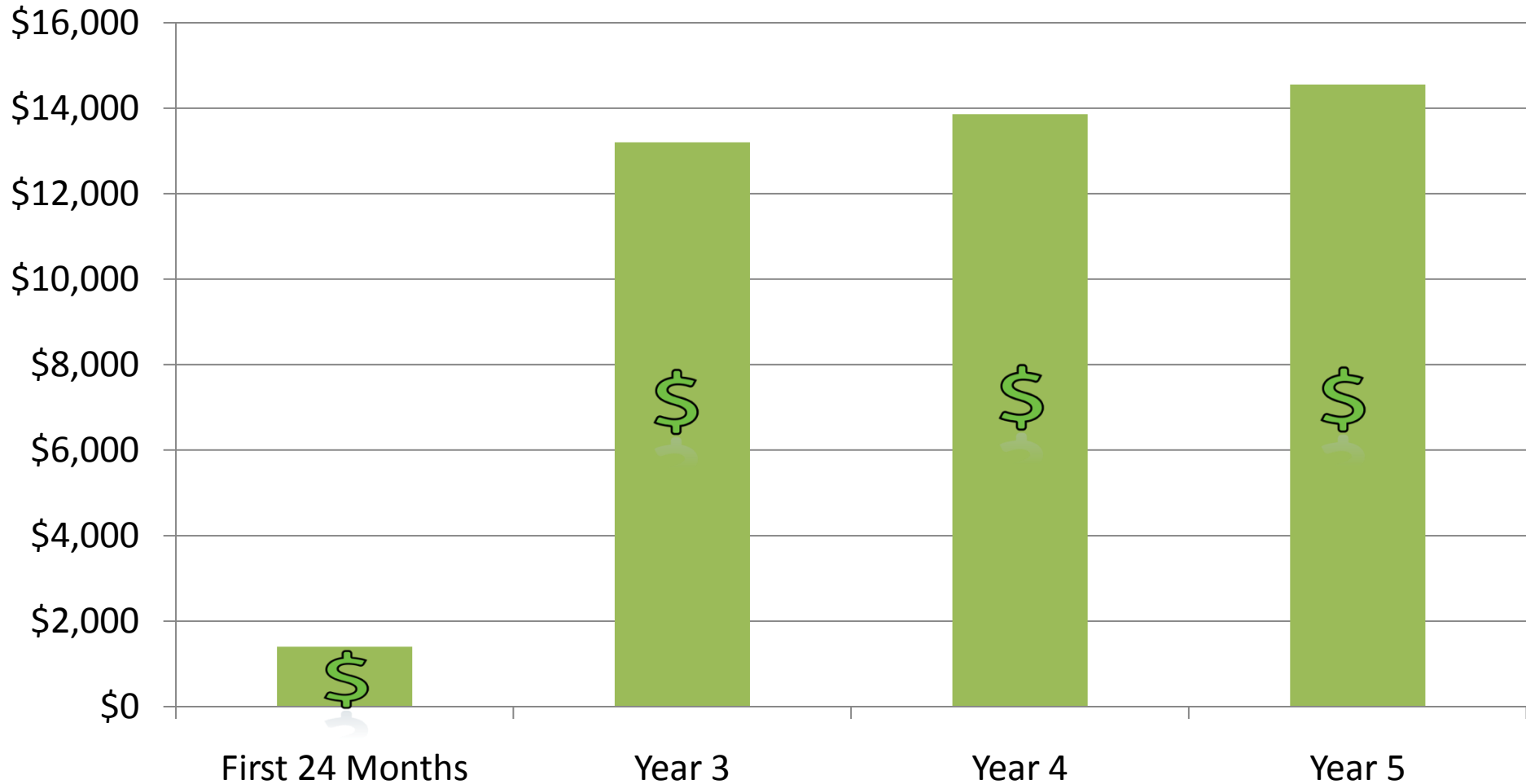
IGA- QCUSD

Fuel Cost Sharing


- Town will saving an estimated 20 cents per gallon
 - \$13,200 per year
- Town will save an estimated \$3,000 in staff time due to auto tracking capabilities of the AIM2 system
- Town emergency response vehicles will have first priority during a fuel shortage
- Breakeven for upfront capital cost is 21 months



Projected 5-Year Fuel Savings



Over \$43,000



IGA- QCUSD Fuel Cost Sharing

Special Thanks:

- ✓ QCUSD Board
- ✓ Tom Lindsey, Superintendent
- ✓ Shari Zara, Chief Financial Officer
- ✓ Candy Cooley, Director of Building Operations

