

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

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|---|--|---|---|
| 1. Name of Initiator John Hunt | | 2. Telephone No. (503) 823-4302 | 3. Bureau/Office/Dept. Bureau Internal Business Services/ CityFleet |
| 4a. To be filed (date): 10/13/2011 | 4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/> | | 5. Date Submitted to Commissioner's office and FPD Budget Analyst: |
| 6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed | | 6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed | |

1) Legislation Title:

* Authorize a contract and provide for payment to furnish fuel for City of Portland vehicles (Ordinance)

2) Purpose of the Proposed Legislation:

The purpose of this ordinance is to authorize CityFleet to contract for fuel for City owned vehicles and equipment for a five year period from 2012-2017. The City purchases unleaded gasoline and bio-diesel in bulk which totals approximately 1.8 million gallons per year. The fuel budget is on average \$6,500,000 per year and over the next five years, this amount totals \$32,500,000.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|---|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input checked="" type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT**4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.**

Revenues will not be impacted by this decision.

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.)*

The City of Portland purchases bulk fuels from competitively solicited contracts or state price agreements that allow the City to obtain the best price for fuel. CityFleet manages the City's fueling infrastructure and is able to purchase in bulk, maximizing savings on a commodity with volatile price fluctuation. By using contracts at the OPIS Rack price, the City can provide stable expenses for the fuel line item.

The City historically consumes 1.8 million gallons of fuel per year, it is estimated that over the next five years the City will spend approximately \$32,500,000 on fuel. CityFleet provides budget projections for Bureaus for fuel every fiscal year and the Bureaus are charged based upon the price actually paid for the fuel issued. This expense will be in the bureau and CityFleet budgets as an ongoing cost of operations.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*
- **Will positions be created or eliminated in future years as a result of this legislation?**

There are no positions associated with this decision.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

| Fund | Fund Center | Commitment Item | Functional Area | Funded Program | Grant | Sponsored Program | Amount |
|------|-------------|-----------------|-----------------|----------------|-------|-------------------|--------|
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[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

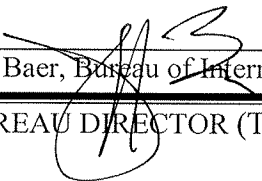
- ☐ **YES:** Please proceed to Question #9.
☒ **NO:** Please, explain why below; and proceed to Question #10.

The nature of this project is to enter into a contract for fuel for the City's vehicles and equipment. This is an ongoing expense budgeted on an annual basis. Budget approval and public outreach for this purchase is met with the adoption of the OMF Budget for CityFleet.

9) If "YES," please answer the following questions:

- a) What impacts are anticipated in the community from this proposed Council item?**
- b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?**
- c) How did public involvement shape the outcome of this Council item?**
- d) Who designed and implemented the public involvement related to this Council item?**
- e) Primary contact for more information on this public involvement process (name, title, phone, email):**

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not. A formal public solicitation will be conducted through Procurement Services.


Jeff Baer, Bureau of Internal Business Services

BUREAU DIRECTOR (Typed name and signature)