



DEPARTMENT OF TRANSPORTATION

DATE: May 3, 2017

TO: BRUCE RUDD, City Manager

FROM: BRIAN R. MARSHALL, Director
Department of Transportation

BRM

SUBJECT: APPROVAL OF A SOLE SOURCE PURCHASE CONTRACT FOR NEW FUELING SYSTEM TERMINALS AND ASSOCIATED HARDWARE IN ACCORDANCE WITH ADMINISTRATIVE ORDER 3-3

The Department of Transportation Fleet Management Division seeks an exception to the City formal bid process to award a sole source contract to E.J. Ward, Inc., of San Antonio, Texas, in the amount of \$269,769.20. The contract would purchase a fuel management system upgrade, including terminals at fuel stations and limited hardware to install in newly-purchased vehicles and equipment.

Fleet Management currently utilizes an outdated fuel management system manufactured by E.J. Ward. The system manages fuel transactions for the City's approximately 2,000 pieces of equipment. This system is an integral part of fleet software used to track fuel transactions, fuel usage per vehicle and mileage. The current fuel management terminal hardware was purchased nearly 20 years ago, and the system is experiencing terminal hardware failures due to its age. Fleet Management recently experienced failure of its application server, and a \$25,000 upgrade was required because the supplier had phased out support for the 20-year-old version. Additionally, advancements in technology have made the current hardware technologically obsolete. The current supplier has begun to phase out support of its legacy system.

New fleet management hardware with advanced technology will allow Fleet Management to better track vehicle fuel transactions, mileage readings, and other telematics data. Upgrading to a modern fuel management system will provide significantly improved functionality, including web-based reporting tools, ability to capture vehicle diagnostic data, acceptance of RFID card reader authorizations, wireless LAN data transfer, and passive GPS technology.

Staff researched fuel management products from various vendors and found that in order to implement most all systems new fuel modules for all 1,500 City-owned vehicles would be required. The replacement of these modules would cost approximately \$500,000. E.J. Ward is the only fuel management hardware supplier with proven "backwards

compatibility" with existing vehicle modules, meaning the upgraded system may be used with the current vehicle modules.

Another fuel management product supplier, Assetworks, Inc., of La Jolla, California, indicated its product can interface with E.J. Ward modules; however, the E.J. Ward product is proprietary, and technical and legal concerns with using Assetworks' product may represent risk to the City. Fuel Force is unable to interface with existing modules.

In summary, E.J. Ward is the only entity manufacturing a fuel management product with guaranteed compatibility of new and old hardware, which will allow the City to utilize the existing 1,500 vehicle modules in its fleet. Based on the above, Fleet Management recommends the City Manager approve the award of a contract with E.J. Ward under a sole source exception to the competitive bidding process pursuant to Administrative Order 3-3.

Vendor Comparison Chart			
Division/Department: Fleet Management			
Equipment: Fuel Management system			
Features	E.J. Ward	Assetworks/ Fuel Focus	Fuel Force
1. System backward compatible with existing vehicle hardware.	Yes	No	No
2. Track vehicle information such as Mileage, fuel usage, diagnostic codes.	Yes	Yes	Yes
3. Passive GPS vehicle tracking software.	Yes	Yes	No
4. Report generating software.	Yes	Yes	Yes

☒ Approved

☐ Disapproved



Bruce Rudd, City Manager