ITEM #:<u>12</u> DATE:<u>4-28-09</u>

COUNCIL ACTION FORM

SUBJECT: FLEET MANAGEMENT AND MAINTENANCE – 28E AGREEMENT WITH STORY COUNTY

BACKGROUND:

Since April 1, 1992, the City's Fleet Services Department has provided fleet management and maintenance services to Story County Community Life Program under a 28E agreement; adopted on January 28, 1992. The term of the original agreement was from April 1, 1992, through June 30, 1993, and included a 90-day cancellation clause, which could be exercised by either party. The intent of this agreement was for it to automatically renew, for each fiscal year after June 30, 1992, unless canceled by either party. However, those terms were not included in the original agreement. Ames has provided, and continues to provide, these services today. Additionally, Story County has added more vehicles and a second agency, Community Services, to the contract.

Story County recently requested adding 7 more vehicles for a 3rd county agency, Board of Supervisors, to this agreement. After reviewing the proposal, the Board has decided not to pursue this service at this time. During the development of the most recent proposal, it was determined that the original 28E agreement had expired, that the County had expanded the number of vehicles and agencies being served, and that the 28E agreement should be updated to reflect these changes and kept current.

The updated 28E agreement is attached and has already been approved by the Story County Board of Supervisors. It contains the automatic renewal clause missing from the original agreement and includes both agencies now being served. The Board of Supervisors has expressed its interest in continuing with this contract by signing the updated agreement.

ALTERNATIVES:

- 1. Approve the updated 28E agreement with Story County for fleet management and maintenance services, for Community Services and Community Life Programs, with automatic renewal for each fiscal year unless either party exercises the cancellation clause.
- 2. Deny approval of this agreement.

MANAGER'S RECOMMENDED ACTION:

The Director of Fleet Services has discussed and reviewed the terms of this agreement with the Story County Board of Supervisors; and both parties wish to continue with this service agreement. Both agencies have enjoyed a very good relationship, and this arrangement also demonstrates how cooperative agreements can benefit the citizens and taxpayers by cost sharing between governmental agencies.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the updated 28E agreement with Story County for fleet management and maintenance services for Community Services and Community Life Programs, with automatic renewal for each fiscal year unless either party exercises the cancellation clause.