



Legislation Text

File #: 69787, **Version:** 1

Fiscal Note

The proposed resolution would allow Metro Transit to purchase additional fuel, from its current vendor, above contracted amounts. Any fuel purchased above the contracted amount would be at a market rate. The purchase of amounts outside the contract will depend on actual need, as Metro Transit recovers from reduced ridership caused by the COVID-19 pandemic.

Metro Transit's 2022 adopted budget includes \$1.9 million for diesel costs. The existing contract has a maximum cost of \$1.7 million. Additional fuel purchases will be monitored through quarterly budget projections in 2022. Should additional budget authority be needed, Metro Transit has remaining federal recovery funds that can be utilized. Any request for additional budget authority would be addressed in the mid-year or year-end resolutions and subject to Council approval.

Title

Authorizing Metro Transit to purchase additional fuel as needed at rack rate, should usage necessitate above the contracted monthly amount of 82,333 gallons of diesel from sole source vendor, Energy Solution Partners.

Body

The proposed resolution would allow Metro Transit to purchase additional gallons at rack rate, above the contracted amount of 82,333 gallons of diesel per month, from Energy Solution Partners.

Energy Solution Partners is the sole source vendor for Metro Transit for the 2022 calendar year, being picked after a competition selection process. With increasing ridership and adding additional routes back after reducing hours during COVID-19, Metro may need additional fuel above what was previously contracted on a monthly basis.

Due to the requirements surrounding fuel quality and accountability, Metro is not able to utilize another vendor while also purchasing fuel from Energy Solution Partners, in order to maintain consistency in fuel quality. Should there be any mechanical issue caused to buses or other vehicles due to poor fuel quality, Metro has to be able to show that only one vendor was used for consistency and accountability.

WHEREAS, Metro Transit has a sole source contract with Energy Solution Partners that was competitively selected for 2022; and

WHEREAS, Metro Transit contracted 82,333 gallons of diesel per month for the year of 2022;

WHEREAS, Metro Transit may go over contracted gallons of diesel fuel as ridership increases;

WHEREAS, Metro Transit would like to be able to purchase additional gallons of diesel fuel from sole source vendor Energy Solution Partners at rack rate, above the contracted gallons of 82,333 per month, as needed

NOW, THEREFORE, BE IT RESOLVED, that Metro Transit is authorized to purchase additional fuel as needed at rack rate, should usage necessitate above the contracted monthly amount of 82,333 gallons of diesel from sole source vendor, Energy Solution Partners.