

RESOLUTION NO. 2024-79

AUTHORIZING CONTRACT NO. 2024-133 WITH SUNOCO, LLC FOR THE FURNISHING OF APPROXIMATELY 450,000 GALLONS OF 87 OCTANE UNLEADED GASOLINE, AS SPECIFIED AND AS REQUIRED, FOR EACH OF THREE YEARS AT A COST OF PLUS \$0.0313 PER GALLON ABOVE THE OPIS INDEX FOR YEAR ONE, AT A COST PLUS \$0.0338 PER GALLON ABOVE THE OPIS INDEX FOR YEAR TWO, AND AT A COST OF PLUS \$0.0363 PER GALLON FOR YEAR THREE (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") requires the furnishing of unleaded gasoline for the Authority's vehicles; and

WHEREAS, the Authority received a bid on September 19, 2024 from Sunoco, LLC ("Sunoco"), located at 8020 Park Lane, Dallas, Texas, 75320, for the furnishing of approximately 450,000 gallons of 87 octane unleaded gasoline, as specified and as required, for each of three years at a cost of plus \$0.0313 per gallon above the OPIS index for year one, at a cost of plus \$0.0338 per gallon above the OPIS index for year two, and at a cost of plus \$0.0363 per gallon above the OPIS index for year three ; and

WHEREAS, the General Manager, Chief Executive Officer deems the bid of Sunoco, to be the lowest responsive bid from a responsible bidder and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the bid of Sunoco for the furnishing of unleaded gasoline, as specified and as required, for a period of three (3) years be and the same is hereby accepted.

Section 2. That the General Manager, Chief Executive Officer of the Authority be and she is hereby authorized to enter into a contract with Sunoco LLC for the furnishing of approximately 450,000 gallons of 87 octane unleaded gasoline, as specified and as required, for each of three years at a cost of plus \$0.0313 per gallon above the OPIS index for year one, at a cost of plus \$0.0338 per gallon above the OPIS index for year two, and at a cost of plus \$0.0363 per gallon above the OPIS index for year three.


Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget. The cost of the 87 octane unleaded gasoline will fluctuate daily depending on the OPIS index. The proposed budget for the base year delivery of 87 octane unleaded gasoline is forecasted at \$2.64 per gallon. The anticipated usage of 87 octane unleaded gasoline for the term of this contract is 450,000 gallons: The cost per gallon will be \$0.0313/gallon above OPIS index for year one, \$0.0338/gallon above OPIS index for year two and \$0.0363/gallon above OPIS index for year three.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the specifications and addenda, thereto, if any; the Affirmative Action Plan adopted by the Board of Trustees; bonding and insurance requirements; and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Authority's Board of Trustees expects that Sunoco will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: October 29, 2024

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> PROCUREMENT OF 87 OCTANE UNLEADED GASOLINE, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF THREE (3) YEARS  <b>VENDOR:</b> SUNOCO, LLC  <b>AMOUNT:</b> PLUS \$0.0313/GALLON ABOVE OPIS INDEX FOR YEAR ONE, PLUS \$0.0338/GALLON ABOVE OPIS INDEX FOR YEAR TWO, AND PLUS \$0.0363/GALLON ABOVE OPIS INDEX FOR YEAR THREE	<b>Resolution No.:</b> 2024-79
	<b>Date:</b> October 24, 2024
	<b>Initiator:</b> Fleet Management Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Greater Cleveland Regional Transit Authority ("Authority") to enter into a contract for the furnishing of 87 octane unleaded gasoline, as specified and as required, for a period of three (3) years.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The 87 octane unleaded gasoline is required to power the Authority's revenue and non-revenue vehicles.
- 3.0 **PROCUREMENT BACKGROUND:** The Invitation for Bid (IFB) was posted on the Authority's Procurement web site and advertised in the local newspapers. Fifteen (15) interested parties downloaded the solicitation. Five (5) responsive bids were received on September 19, 2024. The bid price reflects the OPIS average daily fuel cost billed the day the fuel is ordered. The bid of Sunoco, LLC ("Sunoco") has been determined by the Procurement Department to be fair and reasonable to the Authority.

Estimated Usage 450,000 Gallons a Year			
Supplier	Year 1 Contractor's Increment (+/-) OPIS Average	Year 2 Contractor's Increment (+/-) OPIS Average	Year 3 Contractor's Increment (+/-) OPIS Average
Sunoco, LLC	\$ (+) 0.0313	\$ (+) 0.0338	\$ (+) 0.0363
Petroleum Traders Corporation	\$ (+) 0.0316	\$ (+) 0.0341	\$ (+) 0.0366
Universal Oil	\$ (+) 0.05	\$ (+) 0.05	\$ (+) 0.05
Colonial Oil Industries, Inc.	\$ (+) 0.0748	\$ (+) 0.0773	\$ (+) 0.0798
World Fuel Services, Inc.	\$ (+) 2.0500	\$ (+) 2.0500	\$ (+) 2.0500

All deliveries are provided by tank wagons which carry less than 5,000 gallons. A price analysis has been performed, and the Procurement Department has determined the bid of Sunoco to be fair and reasonable to the Authority. The bid price is approximately 7% below the budget estimate

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of certified DBE firms.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This procurement will be funded through the General Fund, Fleet Management Department budget. The cost of the 87 octane unleaded gasoline will fluctuate daily depending on the OPIS index. The proposed budget for the base year delivery of 87 octane unleaded gasoline is forecasted at \$2.64 per gallon. The anticipated usage of 87 octane unleaded gasoline for the term of this contract is 450,000 gallons. The cost per gallon will be \$0.0313/gallon above OPIS index for year one, \$0.0338/gallon above OPIS index for year two and \$0.0363/gallon above OPIS index for year three.
- 7.0 ALTERNATIVES: Reject this bid. Rejection of this bid would significantly impact the Authority's ability to procure the 87 octane unleaded gasoline at pricing that is advantageous to the Authority.
- 8.0 RECOMMENDATION: This procurement was discussed by the Board of Trustees at the October 15, 2024 Organizational, Services & Performance Monitoring Committee meeting. It is recommended that the bid from Sunoco be accepted and the resolution adopted authorizing the General Manager, Chief Executive Officer to enter into a contract.
- 9.0 ATTACHMENT: None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



---

General Manager, Chief Executive Officer