

RESOLUTION NO. 2025-30

AUTHORIZING CONTRACT NO. 2024-210 WITH PETROLEUM TRADERS CORPORATION FOR THE FURNISHING OF APPROXIMATELY 1,000,000 GALLONS OF ULTRA LOW SULFUR DIESEL FUEL, AS SPECIFIED AND AS REQUIRED, FOR EACH YEAR OF THE THREE YEARS CONTRACT TERM, AT A COST OF MINUS \$.0333 PER GALLON FOR YEAR ONE, MINUS \$.0308 PER GALLON BELOW THE OPIS INDEX FOR YEAR TWO, AND MINUS \$.0283 PER GALLON BELOW THE OPIS INDEX FOR YEAR THREE (GENERAL FUND, FLEET MANAGEMENT DEPARTMENT BUDGET)

WHEREAS, the Greater Cleveland Regional Transit Authority ("Authority") requires the furnishing of ultra low sulfur diesel fuel ("ULSDF") for the Authority's revenue vehicles, work equipment, trucks and generators; and

WHEREAS, the Authority received a bid on January 15, 2025 from Petroleum Traders Corporation located at 7120 Pointe Inverness Way, Fort Wayne, Indiana 46804, for the furnishing of approximately 1,000,000 gallons of ULSDF, as specified and as required, for each of three years at a cost of minus \$.0333 per gallon below the Ohio Price Information Index ("OPIS") for year one, minus \$.0308 per gallon below the OPIS index for year two, and minus \$.0283 per gallon below the OPIS index for year three: and

WHEREAS, the General Manager, Chief Executive Officer deems the bid from Petroleum Traders Corporation 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 from Petroleum Traders Corporation for the furnishing of ULSDF, 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 Petroleum Traders Corporation for the furnishing of approximately 1,000,000 gallons of ULSDF, as specified and as required, for each of three years at a cost of minus \$.0333 per gallon below the OPIS index for year one, minus \$.0308 per gallon below the OPIS index for year two, and minus \$.0283 per gallon below the OPIS index for year three.

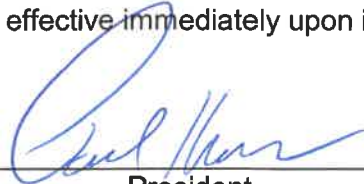
Section 3. That said contract shall be payable from the General Fund, Fleet Management Department budget. The cost of the ULSDF will fluctuate daily depending on the OPIS index. The budget for the base year delivery of ULSDF is based on an estimated amount of \$2.57 per gallon. The anticipated usage of ULSDF for the term of this contract is 3,000,000 gallons. The cost per gallon will be \$.0333 per gallon below the OPIS index for year one, \$.0308 per gallon below the OPIS index for year two, and \$.0283 per gallon below the 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.

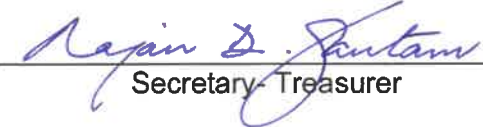
Section 5. That the Authority's Board of Trustees expects that Petroleum Traders Corporation will attempt to exceed the 0% minimum DBE goal assigned to this procurement.

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

Adopted: February 25, 2025



President

Attest: 

Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: PROCUREMENT OF ULTRA LOW SULFUR DIESEL FUEL, AS SPECIFIED AND AS REQUIRED, FOR A PERIOD OF THREE (3) YEARS VENDOR: PETROLEUM TRADERS CORPORATION AMOUNT: MINUS \$.0333/GALLON BELOW OPIS INDEX FOR YEAR ONE, MINUS \$.0308/GALLON BELOW OPIS INDEX FOR YEAR TWO, AND MINUS \$.0283/GALLON BELOW OPIS INDEX FOR YEAR 3	Resolution No.: 2025-30
	Date: February 20, 2025
	Initiator: Fleet Management Department
ACTION REQUEST: <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 ultra low sulfur diesel fuel ("ULSDF"), as specified and as required, for a period of three (3) years
- 2.0 **DESCRIPTION/JUSTIFICATION:** ULSDF is required to power the Authority's revenue vehicles, work equipment, trucks and generators.
- 3.0 **PROCUREMENT BACKGROUND:** The Invitation for Bid was posted on the Authority's Procurement web site and advertised in the local newspapers. Fourteen (14) interested parties downloaded the solicitation. Seven (7) responsive bids were received on January 15, 2025. The bid price reflects the cost of the Oil Price Information Index ("OPIS") average daily fuel cost billed on the day the fuel is ordered. The bid from Petroleum Traders Corporation has been determined by the Procurement Department to be fair and reasonable to the Authority

Estimated Usage 1,000,000 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
Petroleum Traders Corp.	\$ (-) .0333	\$ (-) .0308	\$ (-) .0283
RKA Petroleum	\$ (-) .0293	\$ (-) .0293	\$ (-) .0293
Campbell Oil Company	\$ (-) .0237	\$ (-) .0237	\$ (-) .0237
Sunoco, LLC	\$ (-) .0200	\$ (-) .0200	\$ (-) .0200
Tartan Oil	\$ (-) .0183	\$ (-) .0183	\$ (-) .0183
James River Solutions	\$ (-) .0050	\$ (-) .0050	\$ (-) .0050
Mansfield Oil Company	\$ (+) .0036	\$ (+) .0067	\$ (+) .0145

A price analysis has been performed, and the Procurement Department has determined the bid from Petroleum Traders Corporation for both the tanker load (5001 gallons or more) and less than tanker load (less than 5001 gallons) to be fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 0% DBE participation goal was established for this procurement due to 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 ULSDF will fluctuate daily depending on the OPIS index. The proposed budget for the base year delivery of ULSDF is forecasted at \$2.57 per gallon. The anticipated usage of ULSDF for the term of this contract is 3,000,000 gallons. The cost per gallon will be \$.0333 per gallon below the OPIS index for year one, \$.0308 per gallon below the OPIS index for year two, and \$.0283 per gallon below the OPIS index for year three.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this bid would significantly impact the Authority's ability to procure the ULSDF at pricing that is advantageous to the Authority.
- 8.0 **RECOMMENDATION:** This procurement was discussed by the Board of Trustees at the February 4, 2025 Organizational, Services & Performance Monitoring committee meeting. It is recommended that the offer from Petroleum Traders Corporation 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