SUMMARY STATEMENT

ITEM NO.: DRPA-19-071

SUBJECT: Fuel Contract for DRPA and PATCO

COMMITTEE: Operations & Maintenance

COMMITTEE MEETING DATE: August 6, 2019

BOARD ACTION DATE: August 21, 2019

PROPOSAL: That the Board authorizes staff to negotiate a contract with Petroleum Traders Corp., 7120 Pointe Inverness Way, Fort Wayne, IN 46804 for the purchase of unleaded gasoline, low-sulfur automotive diesel fuel, diesel 2% biofuel and low-sulfur heating fuel oil.

PURPOSE: To purchase fuel for all Delaware River Port Authority and PATCO vehicles including maintenance, snow removal, public safety and staff operation vehicles and low-sulfur heating fuel oil for PATCO Administration Buildings.

BACKGROUND: Pricing for supplying the following fuel for all DRPA and PATCO fleet activities were based on the following requirements:

a. Approximately 275,000 gallons of unleaded gasoline for DRPA & PATCO.

b. Approximately 70,000 gallons of low-sulfur automotive diesel fuel for DRPA & PATCO facility locations in New Jersey.

c. Approximately 18,000 gallons of diesel 2% biofuel for the Walt Whitman Bridge location in Pennsylvania.

d. Approximately 12,000 gallons of low-sulfur heating fuel for PATCO.

Contract pricing is based on “Reseller Tank Car Price” for each commodity, calculated by the gallon, as posted in the Journal of Commerce on June 5, 2019. On that date, regular unleaded gasoline was reported as $1.8705 per gallon, low-sulfur diesel was $1.9356 per gallon, diesel 2% biofuel was $1.9146 per gallon and low-sulfur heating oil was $1.9026 per gallon. We are asking for a not to exceed contract amount of $750,000.00.
The reported price will fluctuate during the contract period depending on market conditions. However, the differential cost will remain firm for the length of the contract. The original fuel bid was publicly advertised, and bid opened on July 23, 2019.

### SUMMARY OF 2019 FUEL BID RESULTS:

<table>
<thead>
<tr>
<th>Vendor</th>
<th>BID</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>PETROLEUM TRADERS FT WAYNE, IN.</td>
<td>$879,405.00</td>
<td>$17,626.80</td>
</tr>
<tr>
<td>RIGGINS, Inc. VENELAND, NJ</td>
<td>$883,463.70</td>
<td>$21,685.50</td>
</tr>
<tr>
<td>East River Energy</td>
<td>$969,446.20</td>
<td>$107,668.00</td>
</tr>
</tbody>
</table>

Sixteen (16) vendors were solicited and five (5) bids and Two (2) Nonresponsive Bid were received.

Petroleum Traders was the lowest responsive, responsible bidder and their indicated low bid was based on a fixed differential which varies by fuel type as referenced below:

- Unleaded gasoline: +$.0165
- Low-Sulfur diesel: +$.1017
- Diesel 2% Biofuel: +$.1044
- Low-Sulfur Heating Oil: +$.0775
- Anti-Jelling Solution: +0.0300

### SUMMARY:

- Amount: $750,000.00* (not to exceed)
- Source of Funds: Revenue Fund
- Capital Project #: N/A
- Operating Budget: 2019/2020
- Master Plan Status: N/A
- Other Fund Sources: N/A
- Duration of Contract: N/A

*Fuel prices subject to market fluctuations
RESOLUTION

RESOLVED: That the Board authorizes staff to negotiate a contract with Petroleum Traders for the purchase of unleaded gasoline, low-sulfur diesel fuel and low-sulfur heating oil for the period of one (1) year to provide unleaded gasoline to the Benjamin Franklin, Commodore Barry, Betsy Ross, Walt Whitman Bridges and PATCO at an average price differential of +$.0165, provide low-sulfur diesel fuel to the Benjamin Franklin, Commodore Barry, Betsy Ross, and PATCO at an average price differential of +$.1017, and provide diesel 2% bio fuel for the Walt Whitman Bridge at a differential of +$.1044 and low sulfur heating fuel oil for PATCO at a fixed differential of +$.0775 and Anti-Jelling solution differential of +$0.0300. Cost of the one (1) year contract is hereby requested with an n-t-e cost of $750,000.00.

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of DRPA and PATCO. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer, and if thereafter, either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA and PATCO, along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA and PATCO.

SUMMARY: Amount: $750,000.00* (not to exceed)
Source of Funds: Revenue Fund
Capital Project #: N/A
Operating Budget: 2019/2020
Master Plan Status: N/A
Other Fund Sources: N/A
Duration of Contract: N/A
Other Parties Involved: N/A

* Fuel prices subject to market fluctuations