



Date of Memo: October 31, 2023
Current Meeting: November 09, 2023
Board Meeting: November 16, 2023

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation (IPTC) Board of Directors
THROUGH: President/CEO Inez P. Evans
FROM: Deputy Chief Operating Officer, Cheryl Purefoy
SUBJECT: Consideration and approval of the monthly amendment of the diesel fuel contract

ACTION ITEM A –2

RECOMMENDATION:

In a manner consistent with IPTC procurement standards, it is requested that the Board authorize President/CEO Evans to allow for the purchase, from Co-Alliance LLC, an additional 15,000 gallons of diesel fuel, for the month of November 2023, at a current average market price of \$3.1773/per gallon as of the date of this action item. The not to exceed amount for November 2023 will be \$47,660.

BACKGROUND:

IPTC’s annual fuel consumption was projected as 1,260,000 gallons for the 2023 fiscal year. The contract will cover approximately 98% of that consumption as a guarantee. Actual consumption has been higher than projections which is attributed to the anticipated fuel reduction assumption of 25% for hybrids being spread across the entire fleet vs. the hybrid vehicles only. The projected 2023 supply was depleted in September.

DISCUSSION:

Co-Alliance is the current contract awardee. If IPTC, requires more fuel above 105,000 gallons in the month, IPTC will request the option to purchase additional diesel fuel at the market rate from Co-Alliance. NOTE: Fuel consumption for 2024 was budgeted at current rates with a 5% increase from current actual consumption.

ALTERNATIVES:

The IPTC Board of Directors could elect to not amend this contract, however, we risk running out of fuel and having limited options for fueling the coaches for service for Q4 of 2023. Additionally, the current trends are moving rapidly and could significantly impact the IPTC budget if required to purchase fuel at rack pricing.

FISCAL IMPACT:

The funding source for this procurement is provided by Operating Budget

DBE/XBE DECLARATION:

N/A

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action will be reviewed by the Finance Committee on November 09, 2023.