

NJ GOVERNOR VETOED 6/10/09

9990. RESOLUTION 09-33 – AUTHORIZES A PURCHASE AGREEMENT BETWEEN THE AUTHORITY AND SUNOCO, INC. TO PROVIDE DIESEL FUEL

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact for the purpose of owning, operating and controlling both Crossing and Non-Crossing facilities; and

WHEREAS, the Authority desires to obtain reliable delivery of diesel fuel for its Cape May-Lewes Ferry Operations in Cape May, New Jersey while seeking price stability and protection from the upward trend in fuel pricing for its peak summer season; and

WHEREAS, the Authority’s staff has investigated opportunities for securing pricing stability and has determined that the best way to accomplish such goal is to enter into an interim purchase agreement which offers the ability to hedge diesel fuel prices for its peak summer season; and

WHEREAS, Sunoco, Inc. presented the Authority staff with a proposal to enter into such a purchase agreement and the Authority staff has determined that the proposal is responsible and in the best interest of the Authority; and

WHEREAS, the Budget and Finance Committee reviewed the staff recommendation in consideration of the overall procurement process and weighted the merits of achieving price stability and protection for the procurement of diesel fuel and concurs with the evaluation; and

WHEREAS, the Budget and Finance Committee waived the procurement requirements as established in Resolution 98-31 which governs the procedure for procuring material and supplies and reported such action to the Board of Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Purchase Agreements with Sunoco, Inc. to provide diesel fuel for an interim period of up to eighteen (18) months and to have such agreement, upon review and advice of counsel, executed by the Chairperson, Vice-Chairperson and Executive Director.

Commissioner Favre requested, and the CFO agreed, that the existing process of purchasing fuel be tracked for the purposes of comparison of the two methods.

A motion to approve Resolution 09-33, with the stipulation that the existing method of purchasing fuel be tracked for comparison, was made by Commissioner Simmerman, seconded by Commissioner Downes and approved by a roll call vote of 10-0.