

Lowenthal Motion
One-time Fuel Allocation

Whereas, all forms of fuel used by transit operators have increased dramatically in recent months and may continue to escalate over the coming fiscal year; and,

Whereas, Metro has noted a \$14 million increase in fuel prices over the FY06 level; and,

Whereas, the municipal operators (Munis) face the same fuel price increases; and,

Whereas, the usual sharing arrangement with the Munis is about 70% for Metro and 30% for Munis; and,

Whereas, the proposed Metro budget for FY07 estimates \$7.2 million of Prop C 40% Discretionary fund balance;

I, therefore, move that:

1. The CEO be directed to return in June 2006 with a recommendation to amend the FY07 budget to add an additional \$6 million of Prop C 40% to be distributed to the Munis during FY07 to offset the additional cost of fuel on a one-time, non-precedent setting basis; and,
2. The Munis be directed to decide on an equitable basis for the distribution of the \$6 million among themselves based on an existing formula such as service miles and inform the CEO of the distribution methodology within 90 days.
3. The Munis and Metro collectively pursue every opportunity to jointly and cooperatively purchase fuel using the region's buying power to achieve the lowest possible price.