

**A RESOLUTION AUTHORIZING CHAPEL HILL TRANSIT TO ENTER INTO FUEL CONTRACTS IN FY 2010-11 (2010-02-08/R-5)**

WHEREAS, Chapel Hill Transit has effectively utilized fuel contracts to minimize the effect of volatility on the Chapel Hill Transit budget;

WHEREAS, Chapel Hill Transit's FY 2009-10 fuel contract allows for the purchase of diesel fuel at \$1.68 per gallon resulting in a projected savings of \$300,000 to \$400,000;

WHEREAS, economists predict that fuel prices will continue to increase throughout 2010; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that The Town Manager is hereby authorized to negotiate and execute a fuel purchase contract now for FY 2010-11 rather than after the budget is approved in June.

This the 8<sup>th</sup> day of February, 2010.