



MEMORANDUM

Date: August 6, 2026

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso
City Manager

CC: Rogelio Hernandez, Transportation Director

From: Jack Burns, Transit Support Manager

Subject: Approval to increase fuel purchase order #P105567 by \$100,000.00, for the purchase of diesel fuel to support the continued operation of Key West Transit and other city diesel vehicles. File ID: 26-5659

Introduction

Request the City Commission approve an increase of \$100,000.00 to Purchase Order #P105567 with Sunshine Gasoline, increasing the total purchase order amount to \$400,000.00. This increase will fully encumber the FY2026 Transit fuel budget and provide sufficient purchasing authority through the remainder of Fiscal Year 2026 to procure diesel fuel necessary to support uninterrupted transit operations and other essential City services.

Background

The FY2026 Transit Operating Budget includes \$400,000.00 for fuel expenditures. At the beginning of the fiscal year, Purchase Order #P105567 was established in the amount of \$300,000.00, leaving \$100,000.00 of the approved fuel budget unencumbered.

Fuel expenditures have progressed more rapidly than anticipated due in part to higher fuel costs and ongoing operational demand. As a result, the remaining purchasing authority under the existing purchase order is insufficient to cover projected fuel purchases through the end of the fiscal year. While adequate funding remains within the adopted FY2026 Transit Operating Budget, an increase to the purchase order is necessary to provide the purchasing authority needed to utilize those already-approved funds.

Procurement

The requested purchase order increase is funded entirely through existing appropriations within the adopted FY2026 Transit Operating Budget. No additional funding is being requested. This action authorizes the encumbrance of previously approved budgeted funds to meet current operational fuel demands and ensure the timely procurement and payment of fuel purchases through the remainder of the fiscal year.

Recommendation

The City Manager's Office recommends that the Mayor and City Commission approve an increase of \$100,000.00 to Purchase Order #P105567 with Sunshine Gasoline.