

## INVITATION TO BID FOR DIESEL FUEL

### **INTENT**

The Bethany-Orange-Woodbridge Regional Purchasing Cooperative requests bids for the procurement of **#2 diesel fuel** for the period commencing July 1, 2008 and ending June 30, 2009. Bids must be clearly marked "DIESEL FUEL BID" on the outside of a **sealed** envelope and returned to the Director of Finance, Town of Woodbridge, 11 Meetinghouse Lane, Woodbridge, Connecticut 06525 by **9:00 a.m. on Thursday, February 28, 2008**. The Bethany-Orange-Woodbridge Regional Purchasing Cooperative consists of the Towns and Boards of Education of Bethany, Orange and Woodbridge as well as the Amity Regional School District.

### **BID FORMS**

All bids shall be submitted on the proposal form furnished with the bid specifications. Additional forms may be obtained on the Town of Woodbridge website [www.woodbridgect.org](http://www.woodbridgect.org) **Any exceptions taken to the terms and conditions stated herein must be clearly noted on the proposal form. If no exceptions are noted, it shall be assumed that the terms of the Invitation to Bid have been accepted.**

### **SUBMISSION OF BIDS**

Bids shall be computer prepared, typewritten or handwritten in blue ink. Bids submitted in pencil shall be rejected. Errors, alterations, or corrections on the proposal form must be initialized by the person signing the bid proposal form.

### **BID AWARD**

A bid award shall be made to the lowest responsible bidder to be determined by the most advantageous differential, or lowest alternative firm bid, whichever is in the best interest of the Bethany-Orange-Woodbridge Regional Purchasing Cooperative. The lowest responsible bidder is that person or firm whose bid to perform the work is lowest, who is qualified and competent to do the work, whose past performance of work is satisfactory to the Cooperative and whose bid documents comply with the procedural requirements stated herein. The award process may also include additional considerations such as the information provided on the bid form and the bidder's perceived ability to fulfill his/her obligations as prescribed by these specifications. Each bidder must be prepared to show evidence of having satisfactorily carried out a similar contract, as inability to do so may be cause for rejection.

Vendor performance records, based on either individual municipal and school district experiences or identified through reference checks, may be considered in the bid award.

The Regional Cooperative may elect to award the contract to other than the lower bidder if it is judged to be in its best interest.

### **AWARD NOTIFICATION**

It is the intent of the Bethany-Orange-Woodbridge Regional Purchasing Cooperative to award the bid by 12:00 noon on Thursday, February 28, 2008.

## INVITATION TO BID FOR DIESEL FUEL

### QUANTITIES

The quantities specified herein are **annual estimates only** and have been provided for the purpose of competitive bidding. Actual quantities will vary.

Vendors must understand that during the course of the contract, there may be certain changes in locations, tank sizes and quantities used. Vendors will be expected to accept such changes without adjustments to the contract prices.

### **DIESEL FUEL:**

Approximate annual consumption for Regional Purchasing Cooperative is **137,300 gallons.**

**\*\*\*See attached co-op sheets for further reference\*\*\***

### RIGHT TO WAIVE ANY INFORMALITY

The Regional Purchasing Cooperative reserves the right to accept or reject any or all bids and further reserves the right to waive any bid conditions or formalities when it appears to be in its best interest to do so. This request for bid does not necessarily contemplate an award based solely on price.

### BID PRICES

#### Mark Up

The first method is by each vendor will rendering bids by indicating a **MARK UP**. Such markup may be either plus (+) or minus (-). If neither a (+) nor a (-) is noted, the MARK UP will be interpreted as a (+). **Bid prices shall not include either Federal or State taxes. Moreover, bid prices shall not include the \$.002 per gallon NORA Assessment, nor the Connecticut Gross Receipts Tax, if applicable, at the effective rate currently at 6.157%, nor Local Underground Storage Tax.**

Award notification will be confirmed by telephone and followed up by fax with the lowest responsible bidder on any day **within 90 days of the bid opening.** Bidders are required to hold price for a minimum of 90 days.

### DETERMINATION OF PRICING

The fixed, firm price for diesel fuel is defined as the settle price for the product on the New York Mercantile Exchange (NYMEX) as listed in the Wall Street Journal Future Prices (or shown at <http://www.nymex.com> for the particular product) on the day that the Customer informs the Vendor to lock on a futures price PLUS the bid price MARK UP that the Vendor was awarded.

The fixed price shall be calculated, as follows:

The settle price for the product on the New York Mercantile Exchange (NYMEX) as listed in the Wall Street Journal Future Prices on the day that the Customer informs the Vendor to lock on a futures price, will be multiplied by the weighting (%) for each month.

## INVITATION TO BID FOR DIESEL FUEL

The Settle Price will be taken from the Wall Street Journal Future Prices (or shown at <http://www.nymex.com> for the particular product) on the day that the Customer informs the Vendor to lock on a futures price. The weighting (%) will remain constant at 8.33% each month. The Weighted Price shall be the product of the Settle Price for the month multiplied by the Weighting of 8.33% for each month. The sum of the Weighted Price for all twelve months shall be the Weighted Average.

The fixed price for the Regional Purchasing Cooperative shall be the MARK UP and the Weighted Average on the day that the Regional Purchasing Cooperative contact person informs the Vendor.

Example: If the FIXED MARK UP is a + 0.10 (plus ten cents), the fixed price based on a weighted average of \$1.4497 is:  $\$1.4497 + 0.10 = \mathbf{\$1.5497}$

Example: If the FIXED MARK UP is a -0.10 (minus ten cents), the fixed price based on weighted average of \$1.4497 is:  $\$1.4497 - 0.10 = \mathbf{\$1.3497}$

The intent behind using this methodology is to identify the lowest responsible vendor at the time of the bid opening, as said vendor should remain low despite upward and downward swings in the NYMEX. Vendors will be required to supply documentation to verify the updated strip used to calculate any and all price adjustments (escalations/de-escalations) that are made to establish a final award price. The NYMEX strip to be used as the basis for a final escalation/de-escalation adjustment will be selected and authorized by the Regional Purchasing Cooperative contact person and may be based on opening, intra-day or closing postings.

### **Fixed Price**

Prices quoted on Diesel Fuel shall be based on a fixed price per gallon to be paid by the participating agencies during the life of the contract. (Excluding the Gross Receipts Tax.) Vendor must agree to hold fixed price bids for a minimum of 48 hours from the time of the bid opening. The Regional Purchasing Cooperative will award the bid within 48 hours of the bid opening subject to any necessary local approvals.

### **SPILLAGE**

Any spillage at the time of delivery will be the responsibility of the vendor and any costs to repair resultant damages or any penalties assessed against the Regional Purchasing Cooperative, because of pollution resulting from such spillage shall be borne by the vendor.

### **DELIVERY TICKETS**

The vendor will furnish printer-type delivery tickets with each fuel delivery. Payment will only be made on gallon information printed on metered tickets. **Partial compartment deliveries, unless made by printer ticket, will not be acceptable.**

### **DELIVERY ARRANGEMENTS**

Arrangements for deliveries will be a matter to be negotiated between each Town or Board of Education and the successful vendor. Inability of a vendor to meet required

## INVITATION TO BID FOR DIESEL FUEL

delivery arrangements may be cause for the rejection of the low bid. Vendors agree to make automatic deliveries. In other instances, vendors will be required to make deliveries within an agreed-to time interval (within 48 hours) following notification by the Town or Board of Education that supplies of Diesel Fuel are needed. The right is reserved by the Regional Purchasing Cooperative to limit the hours within which deliveries can normally be made.

### **LIABILITY FOR DELIVERY FAILURES**

If, as a result of a vendor's failure to deliver on an agreed-to automatic delivery schedule, within the agreed time interval following notification, or in accordance with any part of the specifications included herein (e.g., unacceptable product), and damage to a member Town or Board of Education results, the vendor agrees to compensate the entity for such damages. Restitution will be required should: insufficient fuel to run fleet of vehicles for a member Town or Board of Education or should a member Town or Board of Education incur additional costs from purchasing Diesel Fuel or other fuels from an emergency source. **It should be noted that the awarded vendor shall assume full responsibility for the negligence of any sub-contractor(s) utilized to fulfill any and all obligations under resulting contracts.**

If the contractor fails to make proper delivery within the time specified or if the delivery is rejected by a member Town or Board of Education, the member Town or Board of Education may obtain such commodities or any part thereof from other sources in the open market or on contract. Should the new price be greater than the contract price, the difference will be charged against the contractor. Should the new price be less, the contractor shall have no claim to the difference.

### **EQUIPMENT**

The contractor must be able to insure year-round delivery, maintain a proper inventory for service where required and provide automatic printing meters on delivery trucks. Loading tickets may be substituted for meter-printed delivery tickets with the consent of the member Town or Board of Education.

### **BID BONDS**

Bidders are required to submit with their bid, a valid, current bid bond in the amount of 10% of the total estimated bid price. Bonds shall be issued by an insurance company licensed to do business in the State of Connecticut. **Bids not accompanied by a valid bid bond shall be rejected. The bid bond shall be valid for a period of one (1) month from the date of the bid opening.**

### **PERFORMANCE BONDS**

**A performance bond, in the amount of one hundred percent (100%) of each purchase order, may be required of the successful bidders.** Responding vendors are therefore asked to provide a separate price for this bond (to be quoted as a price per \$1,000 of contracted business) on the attached bid proposal form.

### **LAWS**

All deliveries shall comply in every respect with all applicable laws of the Federal Government and/or the State of Connecticut.



## **INVITATION TO BID FOR DIESEL FUEL**

The coverage requirements cited above must cover both damages by automobiles and any other actions by the vendor resulting in bodily injury or property damage. Furthermore, it is understood that the successful vendor will indemnify and save the Towns and Boards of Education from any claims or judgments arising from actions on the part of the vendor in the performance of the contract.

### **EXTENSION OPTION**

Contracts may be extended for up to twelve (12) months beyond the June 30, 2009 date by mutual agreement of the parties. If any of the annual estimated gallons have not been used on or before June 30, 2009, the Bethany-Orange-Woodbridge-Regional Purchasing Cooperative may negotiate with the company awarded the bid a monthly storage fee for any unused gallons "carried over" to the ensuing fiscal year. The company awarded the bid and/or the Bethany-Orange-Woodbridge Regional Purchasing Cooperative has no obligation to enter into such an arrangement.

### **SEVERABILITY**

No bid submitted may be withdrawn, in whole or in part, without the written consent of the Regional Purchasing Cooperative Contact Person.

### **REJECTION/CANCELLATION OF BIDS**

The Regional Purchasing Cooperative reserves the right to cancel the bidding process prior to the established opening date and time, if such action is deemed to be in its best interest to do so. Moreover, the Regional Purchasing Cooperative reserves the right to reject any or all bids or any part of any or all bids, if it is in its best interest to do so.

### **STANDARD DIESEL FUEL SPECIFICATIONS**

All fuel must meet all current Connecticut Department of Environmental Protection mandates. In addition, the fuel shall be free of any undesirable substances in quantities sufficient to cause damage to vehicles. The diesel fuel should not be a DF-2 blend, but must be from a refinery. All diesel fuel shall be ultra low sulfur diesel with a sulfur content of no more than .0015. During the months of November through March, cold flow improvers shall be added. The owner, at his own expense, will randomly sample diesel fuel coming off of the delivery truck, in the tank, and send it to an independent laboratory for testing. If diesel fuel fails to meet standard specifications, vendor will reimburse the Regional Purchasing Cooperative Towns and/or Boards of Education for all testing and associated fees and all deliveries will stop until material meets specifications.

Should any diesel fuel fail to meet the A.S.T.M. standards, or otherwise cause damage to the owner's property or equipment, the contracted supplier of diesel fuel will, at his own expense, be responsible to extract, clean out and re-install any diesel fuel found outside the specifications.

### **DAMAGE**

Contractor will be responsible for any and all damage to Town property caused by him or his agents, servants, and employees, and shall cause proper clean up and repair of such damage at his own expense and to the satisfaction of the owner.

## INVITATION TO BID FOR DIESEL FUEL

### **QUESTIONS**

General inquires should be directed to Anthony F. Genovese, Director of Finance, 11 Meetinghouse Lane, Woodbridge, CT 06525 by mail, email at [agenovese@ci.woodbridge.ct.us](mailto:agenovese@ci.woodbridge.ct.us), fax at 203-389-3480, or telephone at 203-389-3482.

No oral interpretations shall be made to any respondent as to the meaning of any of the bid documents. Every request for an interpretation shall be made in writing, addressed and forwarded either to the mail address, email address or fax number above. To receive consideration, such questions must be received by the close of business (4:30 p.m.) on Friday, February 22, 2008. The written response to any question(s) received will be faxed on Tuesday, February 26, 2008 to each person who has obtained a bid package. It is the responsibility of the bidder to register with the Town of Woodbridge Finance Office at the above contact information to receive a copy of the written response.

**BETHANY-ORANGE-WOODBRIDGE REGIONAL PURCHASING  
COOPERATIVE  
BID PROPOSAL FOR DIESEL FUEL  
JULY 1, 2008 – JUNE 30, 2009  
\*\*MARK UP PRICE\*\***

The undersigned hereby offers to supply medium grade unleaded gasoline to the member Towns and Boards of Education during the period specified at a net delivered cost to be determined by the application of the indicated mark up to weighted average, as described in the bid specifications, on the day that the Customer informs the Vendor to lock on a futures price.

The undersigned further certifies that he/she is aware that: The Regional Purchasing Cooperative may reject any or all bids; quantities are estimates only. Bidder has not included any State or Federal taxes for which the member Towns or Boards of Education are not liable and is making this bid without collusion with any other person, individual or corporation.

The undersigned has read the entire bid specifications, and by bidding, fully and completely accepts all the terms and conditions stated in the bid specifications.

COMPANY \_\_\_\_\_  
REPRESENTATIVE \_\_\_\_\_  
POSITION \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
TELEPHONE # \_\_\_\_\_ FAX # \_\_\_\_\_  
E-MAIL ADDRESS \_\_\_\_\_  
SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

**No taxes, fees or assessments may be added to the bid price mark up.**

THE BID PRICE MARK UP IS: \_\_\_\_\_ \$ \_\_\_\_\_ PER GALLON  
(+) or (-) (to 4 decimal places)

**TERMS**

% Discount: \_\_\_\_\_ # of days Available(from receipt of inv).: \_\_\_\_\_  
Finance Charge % per month: \_\_\_\_\_ # days past due: \_\_\_\_\_

PERFORMANCE BOND: The cost of a Performance Bond if requested by the Regional Purchasing Cooperative for 100% of the total bid price underwritten by a business licensed to write such bonds in the State of Connecticut is the following:

\$ \_\_\_\_\_ / thousand dollars

BETHANY-ORANGE-WOODBRIDGE  
REGIONAL PURCHASING COOPERATIVE

JULY 1, 2008 – JUNE 30, 2009

DIESEL BID FORM \*\* FIXED PRICE

The undersigned proposes to furnish all labor, materials, and equipment, and to perform all work required in accordance with specifications dated February 14, 2008 for

1. **Base Bid:** Supply approximately \_\_\_\_\_ gallons, more or less, of #2 fuel oil:  
At a fixed price of \$ \_\_\_\_\_ per gallon (excluding Gross Receipts Tax)

2. **Variable Price:** (To be used for the purpose of purchasing additional gallons over the entity estimation)

At the average of the high and low New Haven quotations in the New York Journal of Commerce published daily covering Reseller Rack Prices:

Supply approximately \_\_\_\_\_ gallons, more or less, of diesel fuel. Rate should **NOT** include Gross Receipts Tax:

Differential Rate: Plus or (Minus) \$ \_\_\_\_\_

Net Total = (\_\_\_\_\_ gallons) x (rate) \$ \_\_\_\_\_

Brand Identity \_\_\_\_\_

3. **Storage Price:** \_\_\_\_\_ per gallon per month

TERMS: Percentage Discount: \_\_\_\_\_  
Number of days available: \_\_\_\_\_  
(upon receipt of invoice)  
Finance Charge % per month: \_\_\_\_\_  
Number of days past due: \_\_\_\_\_

\*\*\*\*\*

**NOTE**

**The undersigned hereby declares that:**

- 1. The bidding requirements and specifications have been carefully reviewed; and**
- 2. The undersigned submits this proposal without collusion with any individual, group of individuals or firms.**

\*\*\*\*\*

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2008

\_\_\_\_\_  
Full Legal Name of Bidder Telephone Number

\_\_\_\_\_  
Name of Authorized Agent (Type of Print)

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Bidders Street Address

\_\_\_\_\_  
City, State, Zip Code

**PERFORMANCE BOND:** The cost of a Performance Bond if requested by the Regional Purchasing Cooperative for 100% of the total bid price underwritten by a business licensed to write such bonds in the State of Connecticut is the following:

\$ \_\_\_\_\_ / thousand dollars