

INVITATION TO BID FOR HEATING OIL

INTENT

The Bethany-Orange-Woodbridge Regional Purchasing Cooperative requests bids for the procurement of **heating oil** for the period commencing August 26, 2008 and ending June 30, 2009. Bids must be clearly marked "HEATING OIL 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 Wednesday, August 27, 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 **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 Wednesday, August 27, 2008**.

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QUANTITIES

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

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

Approximate annual consumption for Regional Purchasing Cooperative is 445,150 gallons.

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

ADDITIONAL PURCHASES OF HEATING OIL

The Bethany- Orange-Woodbridge Regional Purchasing Cooperative and its member Towns and Boards of Education may purchase additional gallons of heating oil above the approximate annual consumption shown in the Invitation to Bid for Heating Oil. The price shall be the market price plus applicable taxes, at the time of delivery PLUS the Mark Up bid price to the Firm awarded the heating oil bid.

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

After vendor award, each entity has the option to choose any pricing method.

Fixed Price

Prices quoted on #2 fuel oil 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.

Mark Up

Each vendor will render 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.**

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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 heating oil is defined as the settle price for "Heating Oil No. 2" 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 "Heating Oil No. 2" 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, will be multiplied by the weighting (%) for each month as shown in Exhibit I below.

EXHIBIT I NEW YORK MERCANTILE EXCHANGE: NYMEX FUTURES CONTRACT LISTING March 7, 2005

Month	Settle Price	Weighting (%)	Weighted Price
July	1.4080	0%	0
August	1.4140	0%	0
September	1.4150	0%	0
October	1.4409	10%	0.14409
November	1.4405	15%	0.216075
December	1.4530	20%	0.2906
January	1.4699	20%	0.29398
February	1.4574	20%	0.29148
March	1.4234	15%	0.21351
April	1.3749	0%	0
May	1.3369	0%	0
June	1.3369	0%	0
		100%	1.4497

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 as shown in Exhibit I above. The Weighted Price shall be the product of the Settle Price for the month multiplied by the Weighting (%) for the month. The sum of the Weighted Price for all twelve months shall be the Weighted Average.

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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 Exhibit I above would be: $\$1.4497 + 0.10 = \mathbf{\$1.5497}$

Example: If the FIXED MARK UP is a -0.10 (minus ten cents), the fixed price based on Exhibit I above would be: $\$1.4497 - 0.10 = \mathbf{\$1.3497}$

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.

TAXES AND ASSESSMENTS

Towns and Boards of Education are exempt from payment of either Federal or State taxes and such taxes **shall not** be included in the bid prices.

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%. The Weighted Average (calculated as described above) and the MARK UP shall be the **total** bid price. **No other taxes, fees or assessments may be added.**

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 delivery arrangements may be cause for the rejection of the low bid. Vendors agree to make automatic deliveries based on degree-days. 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 oil are needed. The right is reserved by the Regional Purchasing Cooperative to limit the hours within which deliveries can normally be made. **The successful bid is required to keep all tanks at a minimum of 50% full at all times.**

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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: damage result from freezing (due to a lack of heat) or should a member Town or Board of Education incur additional costs from purchasing heating oil 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.

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INSURANCE REQUIREMENTS

The vendor agrees to carry and provide evidence of insurance coverage's listed below. Coverage must be written with insurance companies licensed in the State of Connecticut and approved by the participating agencies. The insurance company writing coverage must have at least a B+ rating by Best & Co. All policies will provide a thirty (30) day notice of cancellation to each participating agency.

- | | |
|---------------------------------------|----------------------|
| 1) Workers Compensation - Coverage A: | Statutory |
| Coverage B: | |
| Employers Liability: | |
| Bodily injury by accident | \$100,000 per person |
| Bodily injury by disease | \$100,000 per person |
| Bodily injury by disease | \$500,000 aggregate |

Allstate's and Voluntary Compensation endorsements.

- | | | |
|-------------------------------------|---------------------------------|-------------|
| 2) Comprehensive General Liability: | | |
| Limits of Liability | Bodily injury - each occurrence | \$1,000,000 |
| | - aggregate | \$1,000,000 |
| Property Damage | - each occurrence | \$1,000,000 |
| | - aggregate | \$1,000,000 |

- Coverages:** - Premises/Independent/Contractors/Contractual/Completed Operations.
- Contractual Liability will be broad form.
 - Comprehensive Broad form Liability Endorsement including Board form Property
 - Damage Liability.
 - Participating agencies to be named as an additional named insured.

- | | |
|--------------------------|-------------|
| 3) Automobile Liability: | |
| Limits of Liability: | |
| Single Limit | \$1,000,000 |

- Coverages:** - All owned/non-owned/hired/borrowed.
- Contractual liability (broad form)

Certificates of Insurance will be presented to the office of each participating agency for approval prior to the contractor, his agents or employees commencing any work whatsoever pursuant to the within contract.

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HOLD HARMLESS CLAUSE

Contractor agrees that it will indemnify and hold harmless each participating agency it's respective officers, agents and employees from any loss, cost, damage, expense and liability whatsoever kind or nature and however the same may be caused resulting directly or indirectly from the nature of work covered by the within contract resulting in bodily injury including death, personal injury, or damage including property of each participating agency.

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.

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 FUEL OIL SPECIFICATIONS

All fuel oil specified herein and delivered under these requirements shall be hydrocarbon oil that in all instances will meet or exceed the A.S.T.M. designation for No. 2 fuel oil. Additionally, all fuel oil referred to herein is to be free of acid, grit, metal particles or any foreign matter that could clog, injure, cause damage to or breakdown burners, valves, fittings, fuel lines and/or pumps associated with the supply and production of the heat when using the fuel oils specified. The owner, at his own expense, will randomly sample oil coming off of the delivery truck, in the tank, in the lines to the burners and send it to an independent laboratory for testing. If oil 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 oil fail to meet the A.S.T.M. standards, or otherwise cause damage to the owner's property or equipment, the contracted supplier of oil will, at his own expense, be responsible to extract, clean out and re-install any oil 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.

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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, 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 Monday, August 25, 2008. The written response to any question(s) received will be faxed on Tuesday, August 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 HEATING OIL

August 27, 2008 – JUNE 30, 2009

****MARK UP PRICE****

The undersigned hereby offers to supply heating oil 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**

August 27, 2008 – JUNE 30, 2009

FUEL OIL 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 August 19, 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:**

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