

CITY OF VICTORIA, TEXAS

PURCHASING DIVISION

INVITATION TO BID

FOR

ANNUAL SUPPLY CONTRACT FOR GASOLINE AND DIESEL FUEL



BIDS WILL BE RECEIVED UNTIL 1:30P.M.
ON WEDNESDAY, MAY 14, 2008
AT THE CITY OF VICTORIA, PURCHASING OFFICE
1201 E. PINE STREET
VICTORIA, TX 77901

BIDS WILL BE PUBLICLY OPENED AND READ ALOUD
AT 2:00P.M. ON WEDNESDAY, MAY 14, 2008
AT 700 MAIN CENTER, SUITE 204
702 N. MAIN STREET
VICTORIA, TEXAS 77901

PHONE: 361-485-3170
FAX: 361-578-9478

Bid Reference No: 051408-K-1

INVITATION TO BID

Bids, Addressed to the City of Victoria, will be received for:

ANNUAL SUPPLY CONTRACT FOR GASOLINE AND DIESEL FUEL

in accordance with the specifications and contract documents. Bids will be received at the office of the City Purchasing Office, 1201 E. Pine Street, Victoria, Texas until 1:30 p.m. on Wednesday, May 14, 2008. After 1:30p.m. all bids shall be delivered to 700 Main Center, 702 N. Main St., Suite 204, Victoria, Texas 77901. Bids will be opened and publicly read aloud on **Wednesday, May 14, 2008 at 2:00p.m.** Any bid received after 2:00p.m. will be returned unopened. The envelope containing the bid shall be clearly marked bid for "**Annual Supply Contract for Gasoline and Diesel Fuel**".

The City of Victoria reserves the right to reject any and/or all bids, to waive any and/or all formalities and to accept the one deemed most advantageous to the City.

Steve Kennedy,
Purchasing Agent
City of Victoria

CITY OF VICTORIA, TEXAS GENERAL TERMS AND CONDITIONS

PURCHASE CONTRACT

The successful bidder will be asked to enter into an annual supply contract with the City of Victoria to provide gasoline and diesel fuel. The contract will include the specifications herein listed and any other pertinent information.

WARNING: It is the bidder's responsibility to monitor the City of Victoria's website (www.victoriatx.org) for possible addenda to this bid to inform him/herself of the most current specifications, terms and conditions and to submit his/her bid in accordance with the original bid requirements and all addenda. Failure of bidder to obtain this information shall not relieve him/her of the requirements contained therein. Additionally, failure of bidder to return a signed addenda, when required, may be cause for rejection of his/her bid.

DESCRIPTION OF SUPPLIES - (If Applicable)

Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted and is used only to indicate type and quality of material. Bidders are required to state exactly what they intend to furnish, otherwise they shall be required to furnish the items as specified.

ANNUAL SUPPLY CONTRACTS

All quantities specified in annual supply contracts are merely estimates of annual usage of motor fuels and not actual order amounts. The actual quantities ordered may be more than or less than the quantities specified.

DISCOUNTS

Bids submitted will be considered as competitive and should reflect any and all discounts offered to the City of Victoria.

WITHDRAWAL OF BIDS

Bids may not be withdrawn after the time set for the bid opening. A bid that has been opened is not subject to amendment, alteration, or change for the purpose of correcting an error in the bid price. Bids containing an error may be offered "as is" or withdrawn by the bidder in accordance with applicable State Laws.

FIRM TIME OF BIDS

The Bidder shall state the length of time for which bid prices are firm. The City of Victoria requests a minimum of 30 days.

LEAD TIME

Lead time must be specified on the Bid Sheet as the number of calendar days from receipt of release. Bids submitted on the basis of "as required" may be rejected as being non responsive.

PAYMENT

Full payment will be made within 30 days after delivery of the fuel and receiving the invoice.

SALES TAX

Price per gallon must include all applicable taxes.

TRANSPORTATION

All bids must include the cost of transportation, FOB Victoria, Texas.

LATE BIDS

Bids received after the specified opening time and date will be returned to the Bidder unopened.

FUNDING SOURCE

These purchases will be funded by the City of Victoria.

One complete Bid Document, which contains the Invitation to Bid, Bid Specifications and Bid Forms, must be returned in its entirety.

BID EVALUATION FACTORS

A. Most Advantageous Bid. The contract may be awarded either to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the City. In determining the best value for the City, the City may consider the price, quality of products, reputation of bidder and bidder's goods and/or services, bidder's past relationship with the City, total long-term cost, life expectancy, cost of maintenance and operation, operating efficiency, training requirements, disposal value, specifications, delivery requirements, disposal value, product warranty, ability to supply and provide service, timeliness of deliveries, past performance in contracts, other factors contributing to the overall cost of an item, and any other factors described in Tex. Local Gov't Code § 252.043(b).

B. Partial Awards. Bidders may furnish pricing for all or any portion of the bid invitation. Unless the bidder specifies otherwise in his bid, the City of Victoria may award the contract for any item or group of items shown on the bid invitation. The City of Victoria reserves the right to award a contract based on the "low total bid" for all items.

C. The City retains the authority to award a bid based on findings in accordance with Texas Local Government Code § 271.905. If the City awards a bid based on Section 271.905, the City may condition such award on the awarded bidder providing additional requested information from the bidder and indemnifying the City for all costs of litigation arising from the use of said statute.

D. Reservations: The City of Victoria reserves the right to:

1. Waive as an informality minor deviations from specifications that do not impair overall function.
2. Waive any defect, irregularity or informality in any bid or bidding procedure;
3. Reject or cancel any or all bids;

4. Reissue a bid invitation;
5. Extend the bid opening time and date;
6. Procure any item by other means;
7. Increase or decrease the quantity specified in the bid invitation, unless the bidder specifies otherwise; and
8. Consider and accept alternate bids.

INDEMNIFICATION

The successful bidder shall defend, indemnify and hold harmless the City of Victoria and its officers, agents, and employees from all suits, actions, or claims of any character, name and description including attorney's fees/expenses brought for any injuries to persons or damages to property in connection with this contract including any claims for damages accruing during the delivery of the item supplied hereunder. Any money due the successful bidder under this Contract as shall be considered necessary by the City of Victoria may be retained for the use of the City to secure this indemnity. The successful bidder expressly agrees to defend, indemnify and hold harmless the City of Victoria and its officers, agents, and employees in accordance with this clause regardless of whether the injury or damage is caused in whole or in part by the acts or omissions, including negligence, of the City of Victoria, its officers, agents or employees.

**CITY OF VICTORIA, TEXAS
PURCHASE SPECIFICATIONS
FOR
UNLEADED GASOLINE AND DIESEL FUEL**

The City of Victoria will accept sealed bids for approximately 300,000 gallons Unleaded Gasoline and approximately 200,000 gallons of Diesel Fuel. The quantities are merely estimates of annual fuel usage - not actual order amounts. During the period of the purchase contract, the City will buy only the actual quantities of fuel required, and it will neither be obligated to the purchase of, nor limited to, the quantities listed above. Fuel will be ordered on an "as needed" basis throughout the term of the contract.

A: Types of Fuel Being Purchased:

1. Regular Unleaded Gasoline (OPIS GROSS CLEAR)
 1. Minimum Octane Rating of 87 which shall be determine by using the R+M/2 Method
 2. There will also be an air "intake system deposit control" detergent that helps keep vehicle intake valves clean for the City of Victoria.
 3. Comply with the requirements of American Society of Testing Materials (ASTM) D4814, latest revision.

2. Reformulated Gasoline with 10% Ethanol [E10] (OPIS GROSS RFG ETHANOL [10%])
 1. Must meet ASTM D4815 Standard Specifications for Denatured Fuel Ethanol for Blending with Gasoline for Use as Automotive Spark Ignition Engine Fuel.
 2. Corrosion Inhibitors must be added to provide corrosion protection comparable to that of other available motor fuels.
 3. Visibly free of suspended or precipitate contaminants (clear & bright).
Octane Rating: 87-90% (Bidder to provide % that is being offered)_____.
 4. In order to achieve minimum or maximum oxygen content limits specified per Federal, State and Local environmental requirements, vendor's shall only include oxygenates that are permitted by environmental regulations applicable to the time and place of delivery.
 5. This is an alternate bid. Bidders are not required to bid on this item.
 6. Bidders will use the Houston OPIS for this item.

3. No. 2 Low Emission Diesel (OPIS GROSS NO.2 LED DISTILLATE)
 1. Minimum Cetane Rating of 48 and a maximum aromatic hydrocarbon content of 10%.
 2. Meet the requirements of the Texas Administrative Code (TAC) Title 30, Chapter 114, Subchapter H, Division 2, Sections 114.312-114-317 and 114-319.
 3. Comply with the latest revision of the following American Society of Testing & Material (ASTM) requirements: ASTM D93, ASTM D97, ASTM D130, ASTM D287, ASTM D381, ASTM D445, ASTM D482, ASTM 524, ASTM D613, ASTM D974, ASTM D1500, ASTM D1796, ASTM D2274, ASTM D2276, ASTM D2500, ASTM 2622, ASTM D3120, ASTM D4737, ASTM D5186, ASTM D5453, ASTM D6078, ASTM D6428, ASTM D6468.

4. No. 2 Ultra Low Sulfur Diesel (OPIS GROSS NO.2 DISTILLATE)
 1. Comply with requirements of ASTM D975, D1552, D482, latest revisions.
 2. Comply with requirements of SAE J313, latest revision.
 3. Minimum cetane number of 40.
 4. Maximum .0015 weight percent of sulfur.

5. Maximum aromatic content of 35%.

5. No. 2 Ultra Low Sulfur Diesel W/5% Bio-Diesel Blend [B5] (OPIS GROSS SME BIODIESEL TAX ADJUSTED MARKET INDEX)

1. Meet National Quality Program BQ-9000 Standards.
2. Comply with ASTM D6751 latest revision.
3. Cetane Rating: 40-44% (Bidder To Provide % that is being offered)_____.
4. This is an alternate bid. Bidders are not required to bid on this item.
5. Bidders will use the Houston OPIS for this item.

B. Bid Evaluation Price

1. The bid price will be plus or minus the bid differential from the lowest branded daily rack price posted per gallon as listed on the Oil Price Information Service (OPIS) for the type of fuel subject to that bid. Bidder shall select the OPIS Rack City that will be used to calculate the prices upon which the City of Victoria is charged. Bidder shall select one of the following OPIS Rack cities: Houston, Victoria-Placedo, or Corpus Christi. If Bidder does not select a RACK City, then the bid price shall be based on the OPIS Rack in Houston. If Bidder does not state whether the bid differential is plus or minus the OPIS price, then the bid differential will be considered to be plus the OPIS price. Bidder will use the OPIS price on the date for the "OPIS Daily Rack Price" shown on the bid sheet.
2. Bidder shall furnish a copy of the published OPIS report for the day the product is delivered with the invoice.
3. No price increase in excess of the bid differential for any charge other than a new governmentally imposed tax or fee applicable to the sales to the City that was not in existence at the time of the original bid is authorized to be added for the term of this contract.
4. The bid price will include all fees and charges other than the State of Texas \$0.20 per gallon motor fuels tax, including:
 - all transportation costs,
 - all loading fees,
 - all freight charges,
 - all delivery fees,
 - the State of Texas petroleum storage tank remediation fund fee,
 - petroleum products delivery fee,
 - Leaking Underground Storage Tank fee (LUST), and
 - Oil Spill Liability Trust Fund fee (OSLTF).
5. The State of Texas \$0.20 per gallon motor fuels tax and environmental loading fee will be added to the bid price
6. A charge may NOT be added for providing a pump for the City's above-ground diesel tank at 116 Huvar Road.
7. The successful bidder shall include a list of fuel vendors available for the term on this contract.

8. The successful bidder will be required to state the brand and price for each delivery.
9. All invoices shall reflect the net gallons delivered.

C. Service and Delivery Requirements:

1. Tank truck deliveries must be metered and must be verified by City of Victoria personnel. Delivery Manifest with net gallons noted shall be supplied at the time of delivery.
2. All fuel tanks will have a tank inventory run before and after each delivery to verify gallons added for each tank. In a power outage or system malfunction we will use a stick reading before and after fuel off loading, these readings will also be verified by City of Victoria personnel.
3. Delivery trucks shall at all times comply with current State of Texas and Federal Regulations pertaining to Fuel Vapor Recovery.
4. Extreme care must be taken to avoid spills. The delivery vehicle must be attended at all times during fueling off loading. Any costs incurred as a result of fuel spills due to negligence or equipment malfunction on the part of the successful bidder, its agents or employees will be borne by the contractor and may be grounds for termination of the contract at the City's option. Copy of bidder's spill containment policy may be requested.
5. The City of Victoria will be a priority over other contracts the successful bidder may have during emergency situations.
6. Successful bidder(s) of gasoline and diesel fuel will provide fully loaded tankers to the City Service Center, within 8 hours of notification or request during emergency situations.
7. Deliveries shall be within 24 hours of receipt of purchase order and between the hours of 8:00 a.m. and 4:00 p.m. Central Standard Time, Monday through Friday.
8. The City of Victoria may order less than transport tanker loads of 10,000 gallons of diesel and unleaded fuel. Minimum delivery quantities must be stated below or disqualification of bid may result:
 - a. Minimum Transport Truck Load. _____
 - b. Minimum Bobtail Truck Load. _____

D. Designated Delivery Sites for City Facilities: All bids must include cost of transportation, F.O.B.:

1. Service Center, 1102 E. North, Victoria, Texas.
- 2 Tank Site - 116 Huvar Road, Victoria, Texas.

E. Renewal: This contract shall be for a period of one year with option for renewal for an additional three one-year periods if agreeable with both the successful bidder and the City of Victoria.

F. Ordering Information: Bidder shall provide the first and last name(s) of the person(s) to contact and toll free or local telephone number to place delivery orders between the hours of 8:00a.m. and 5p.m., Monday through Friday, Central Standard Time.

Name: _____ Phone No.; _____

G. Bidder Information:

Full Legal Name _____

Trade Name _____

Address _____

City, State, Zip _____

Telephone No. _____ Fax No. _____

Email _____

Signature of Authorized Representative _____

Printed Name & Title: _____

CITY OF VICTORIA, TEXAS

INVITATION TO BID AND BID QUOTATION FORM

THIS DOES NOT REPRESENT AN ORDER FOR A PURCHASE BY THE THE CITY OF VICTORIA, TEXAS

USE THIS FORM IN SUBMITTING ALL BIDS

BIDDERS NAME & CONTACT INFORMATION (Include Full Legal Name [or Exact Corporate Name] & Trade Name, Address, Phone Number, & Fax Number and E-mail Address[if available])	← →	DATE: APRIL 24, 2008 QUOTATION No.: 0514-08-K-1 Request for: ANNUAL SUPPLY CONTRACT FOR FUEL Sealed Bids will be received at the City of Victoria Purchasing Office, 1201 E. Pine St., Victoria, Texas 77901 until 1:30p.m. on Wednesday, May 14, 2008. After 1:30p.m. all bids shall be delivered to 700 Main Center, 702 N. Main st., Suite 204, Victoria, Texas 77901. Bids will be publicly opened and read aloud at 2:00p.m. on Wednesday, May 14, 2008. STEVE KENNEDY, PURCHASING AGENT, 361-485-3170.
---	-----	---

Item	Quantity		Description	O.P.I.S.	O.P.I.S. Daily	Applicable	Texas	Markup (+) or	TOTAL	TOTAL
				Rack City	Rack Price	Taxes	Environ.	Discount (-) from	UNIT	ESTIMATED
					Date:5/9/08		Loading Fee	OPIS Price	PRICE	COST
Annual Supply Contract for the City of Victoria to provide the estimated quantity of fuel as per City of Victoria Bid Specifications.										
BASE BID										
1	250,000	Gallons	Regular Unleaded Gasoline (OPIS GROSS CLEAR)		\$	\$	\$	\$	\$	\$
			Minimum Octane Rating 87	Rack City _____						
ALTERNATE										
2	250,000	Gallons	Reformulated Gasoline with 10% Ethanol [E10] (OPIS GROSS RFG ETHANOL[10%])		\$	\$	\$	\$	\$	\$
			Octane Rating ____	Rack City: HOUSTON						
BASE BID										
3	100,000	Gallons	No. 2 Low Emission Diesel (OPIS GROSS NO.2 LED DISTILLATE)		\$	\$	\$	\$	\$	\$
			Minimum Cetane Rating 48	Rack City _____						
BASE BID										
4	50,000	Gallons	No. 2 Ultra Low Sulfur Diesel (OPIS GROSS NO. 2 DISTILLATE)		\$	\$	\$	\$	\$	\$
			Minimum Cetane Rating 48	Rack City _____						
ALTERNATE										
5	50,000	Gallons	No.2 Ultra Low Sulfur Diesel W/5% Bio-Diesel Blend [B5]		\$	\$	\$	\$	\$	\$
			(OPIS GROSS SME BIODIESEL TAX ADJUSTED MARKET INDEX)							
			Cetane Rating ____	Rack City: HOUSTON						
PRICES TO BE QUOTED F.O.B VICTORIA										
TOTAL BID										
								\$	\$	\$

The price quotes submitted on this Bid Sheet shall be based on the lowest branded OPIS price on the date designated above. Acopy of the OPIS report(s) shown above shall be furnished with the bid.

By submitting the above and signing below, the Signer agrees that acceptance of any and/or all quotations by the governmental unit that posted the bid constitutes a contract in accordance with the Invitation to Bid and Bid Quotation Form, General Terms and Conditions, Technical Specifications and other contract documents that accompanied the request for bids or where available for examination by bidders with respect to this item including provisions as to indemnification that may be included therein.

Acceptance of the successful bid shall obligate the bidder to provide up to the amount bid at the bid terms and conditions stated herein.

Quantities are mere estimates. Acceptance of the successful bid shall only obligate the governmental entity to purchase some of the item from that bidder.

The governmental entity reserves the right to require a successful bidder to enter a written contract containing the terms and conditions of any documents that accompanied the bid.

Signed: _____
 Print Name: _____

Date: _____