

INVITATION TO BID (ITB)

RETURN THIS BID TO THE ISSUING OFFICE AT:

City and Borough of Wrangell
Attn: Borough Clerk
205 Brueger Street
P.O. Box 531
Wrangell, Alaska

FUEL BIDSDATE ITB ISSUED:

January 22th, 2014

ITB TITLE: Contract for the purchase of Heating Oil, Ultra Low Sulfur Diesel and Unleaded Gasoline.

PRE-BID CONFERENCE will be held on Thursday, January 9th at 10:00 AM at Wrangell City Hall. See page 8 for instructions.

SEALED BIDS MUST BE SUBMITTED TO THE BOROUGH CLERK AT THE ABOVE ADDRESS. BIDS MUST BE TIME AND DATE STAMPED BY THE CLERK PRIOR TO THE BID OPENING WHICH IS JANUARY 22nd, 2014, 2:00 PM AT WHICH TIME THEY WILL BE PUBLICLY OPENED.

DELIVERY LOCATION: Various locations in the City of Wrangell per Attachment A

DELIVERY DATE: All deliveries will be on a "keep-full" or "as-needed" basis as indicated in Attachment A.

F.O.B. POINT: Final Destination

BIDDER'S NOTICE: By signature on this form, the bidder certifies that:

- (1) the bidder has a valid Alaska business license, or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one the following forms of evidence submitted with the bid:
 - a canceled check for the business license fee;
 - a copy of the business license application with a receipt date stamp from the State's business license office;
 - a receipt from the State's business license office for the license fee;
 - a copy of the bidder's valid business license;
 - a sworn notarized affidavit that the bidder has applied and paid for a business license;
- (2) the price(s) submitted was arrived at independently and without collusion and that the bidder is complying with:
 - the laws of the State of Alaska;
 - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder fails to comply with (1) at the time designated in the ITB for opening the state will disallow the bid. If a bidder fails to comply with (2) of this paragraph, the city may reject the bid, terminate the contract, or consider the contractor in default.

Kim Lane, Borough Clerk Contracting Officer	_____	*Mailing Address: _____
	COMPANY SUBMITTING BID	_____
Kim Lane	_____	_____
	AUTHORIZED SIGNATURE	_____
Phone: (907) 874-2381	_____	_____
TDD: (907) 465-2205	PRINTED NAME	_____
Email: clerk@wrangell.com	_____	_____
	DATE	TELEPHONE NUMBER
_____	_____	_____
ALASKA BUSINESS LICENSE NUMBER	FEDERAL TAX ID NUMBER	E-MAIL ADDRESS

STANDARD TERMS AND CONDITIONS

INSTRUCTIONS TO BIDDERS:

1. INVITATION TO BID (ITB) REVIEW: Bidders shall carefully review this ITB for defects and questionable or objectionable material. Bidders' comments concerning defects and questionable or objectionable material in the ITB must be made in writing and received by the purchasing authority at least ten (10) days before the bid opening date. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective bid, upon which award cannot be made, and the resultant exposure of bidders' prices. Bidders' original comments should be sent to the purchasing authority listed on the front of this ITB.

2. BID FORMS: Bidders shall use this and attached forms in submitting bids. A photocopied bid may be submitted.

3. SUBMITTING BIDS: Envelopes containing bids must be sealed, marked, and addressed as shown in the example below.

<p>Bidder's Return Address</p> <p>City and Borough of Wrangell Box 531 Wrangell, Alaska</p> <p>Fuel Bids-Wrangell ATTN: Kim Flores</p>
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4. PRICES: The bidder shall state prices in the units of issue on this ITB. Prices quoted for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices quoted for services must be quoted in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost. Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the Borough, the bidder may list such taxes separately, directly below the bid price for the affected item. All federal and state taxes will not be used in the bid price, but will be added as necessary when the borough is billed.

5. VENDOR TAX ID NUMBER: If goods or services procured through this ITB are of a type that is required to be included on a Miscellaneous Tax Statement, as described in the Internal Revenue Code, a valid tax identification number must be provided to the City and Borough of Wrangell before payment will be made.

6. FILING A PROTEST: A bidder may protest the award of a contract or the proposed award of a contract for supplies, services, or professional services. The protest must be filed in writing and include the following information: (1) the name, address, and telephone number of the protester; (2) the signature of the protester or the protester's representative; (3) identification of the contracting agency and the solicitation or contract at issue; (4) a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents; and (5) the form of relief requested. The borough will act on the protest and provide a written response to the protester within 30 days of receiving the protest.

CONDITIONS:

1. COMPLIANCE: In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; and be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.

2. FIRM OFFER: For the purpose of award, offers made in accordance with this ITB must be good and firm for a period of ninety (90) days from the date of bid opening.

3. EXTENSION OF PRICES: In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.

4. BID PREPARATION COSTS: The Borough is not liable for any costs incurred by the bidder in bid preparation.

5. ASSIGNMENT(S): Assignment of rights, duties, or payments under a contract resulting from this ITB is not permitted unless authorized in writing by the City and Borough of Wrangell.

6. FORCE MAJEURE: (Impossibility to perform) The contractor is not liable for the consequences of any failure to perform, or default in performing, any of its obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the contractor. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

7. LATE BIDS: Late bids are bids received after the time and date set for receipt of the bids. Late bids will not be accepted.

8. CONTRACT EXTENSION: Unless otherwise provided in this ITB, the Borough and the successful bidder/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions

shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

16. DEFAULT: In case of default by the contractor, for any reason whatsoever, the City and Borough of Wrangell may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

17. DISPUTES: Any dispute arising out of this agreement shall be resolved under the laws of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain any relief from or remedy in connection with this agreement may be brought only in the superior court for the State of Alaska.

19. SEVERABILITY: If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

SPECIAL CONDITIONS:

2. BILLING INSTRUCTIONS: Invoices must be billed to either the Wrangell Medical Center, the Wrangell Public Schools or the City and Borough of Wrangell depending on which agency receives the fuel. The information and billing addresses are contained in Attachment A.

3. CONTINUING OBLIGATION OF CONTRACTOR: The contractor is required to fulfill this contract until the term of the contract has been met.

BID SUBMISSION, ADDRESS, AND DEADLINE FOR RECEIPT OF BIDS: Bidders must submit one hard copy of their bid in a sealed package to the contracting officer, with the outside of the sealed package marked as specified on page two of this Invitation to Bid (ITB).

If using U.S. Mail, please use the address listed on page one or two of this ITB. If using a delivery service, please use the following address:

Mail:

City and Borough of Wrangell
Attn: Borough Clerk
Box 531
Wrangell, Alaska 99929

Personal Delivery:

City and Borough of Wrangell
Attn: Borough Clerk
City Hall
205 Brueger Street
Wrangell, Alaska 99929

Bids must be received before **2:00p.m.**, Alaska Time on **January 18th, 2014**. Fax bids will not be accepted.

A bidder's failure to submit its bid prior to the deadline for receipt of bids will cause the bid to be disqualified. Late bids will not be opened or accepted for evaluation. **Please note that overnight delivery to and within Alaska rarely occurs.**

All questions concerning this ITB must be directed to the contracting officer:

Kim Lane, Borough Clerk
Phone: (907) 874-2381, Fax: (907) 874-3952, Email: clerk@wrangell.com

ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES: Prior to the award of a contract, a bidder must hold a valid Alaska business license. Bidders should contact the Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, P. O. Box 110806, Juneau, Alaska 99811-0806, for information on these licenses.

Acceptable evidence that the bidder possesses a valid Alaska business license may consist of any one of the following:

- (a) copy of an Alaska business license;
- (b) certification on the bid that the bidder has a valid Alaska business license and has included the license number in the bid (see front page);
- (c) a canceled check for the Alaska business license fee;
- (d) a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- (e) a sworn and notarized affidavit that the bidder has applied and paid for the Alaska business license.

At the time designated for bid opening, all bidders must hold any other necessary applicable professional licenses required by Alaska Statute.

CONTRACT INTENT: This Invitation to Bid (ITB) is intended to result in mandatory and non-mandatory use contracts for the purchase and delivery of the following fuel types in specific locations within the City and Borough of Wrangell as designated in Attachment A:

Heating Oil

Ultra Low Sulfur Diesel

Unleaded Gasoline

If a winter blend is used between #1 and #2 Heating oil, prices will be the two individually then added together

The above fuels will be delivered on a "keep-full" or "as-needed" basis into bulk fuel tanks located throughout the City and Borough of Wrangell. See Attachment A for information on the specific locations and requirements.

CONTRACT PERIOD: The length of the contract will be from February 1st, 2014 through January 31st, 2016.

DEFAULT: A contractor's failure to comply with any of the terms and conditions of this contract may result in a default action by the borough.

COMPLIANCE: The bidder must comply with all applicable national, federal, state and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; pay all applicable federal, state, local and borough taxes.

PRE-BID CONFERENCE: There will be a pre-bid conference on **Thursday, January 9th, 2014**, beginning at **10:00 A.M.** in borough assembly chambers located at 205 Brueger Street, City Hall Building in Wrangell, Alaska.

Participants should read the ITB and come to the meeting prepared to discuss any concerns. Potential bidders who wish to participate via teleconference instead of in person can do so by dialing into the conference. The teleconference directions and number will be provided to any bidders that request they want to participate by teleconference.

NOTICE OF INTENT TO AWARD: After the bids are opened a tabulation of the results from each bidder will be assembled by the clerk. This will reflect the apparent low bidder. This information will go to the borough assembly for the bid to be approved. The bidder awarded the contract should not take any action until the clerk has received a signed contract and gives the winner bidder a letter stating that they are given the notice to proceed with the provisions of the contract.

PAYMENT FOR BOROUGH PURCHASES: Payment for goods or services provided to the borough will be made within 20 days of the receipt of a proper billing.

A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement that establishes a lower interest rate or precludes the charging of interest.

FEDERAL EXCISE TAX: The City and Borough of Wrangell will only pay those taxes required by law.

DEFINITIONS: The following definitions are applicable throughout the solicitation, all amendments, and any subsequent contract awards:

- **Bidder:** An entity submitting a bid in response to this Invitation to Bid (ITB).
- **Borough (or City and Borough of Wrangell):** As it relates to this contract this term includes the City and Borough of Wrangell, Wrangell Medical Center and Wrangell Public Schools.
- **Bulk Fuel Tank:** Storage tanks located above or underground that is next to the various sites listed in Attachment A.
- **Bulk Fuel Drums:** A cylindrical container used for transport and storage of fuel. A bulk fuel drum generally contains 55 gallons.
- **Contractor:** An entity that is awarded a contract with the City and Borough of Wrangell for the products and services identified in this ITB. The term "contractor" may be used interchangeably with the term "vendor".
- **Contracting Officer:** The Borough Clerk is the contracting officer responsible for this contract.

- **Distribution Point:** A location where a contractor has the ability to store bulk fuel for delivery to the City and Borough of Wrangell, the Wrangell Medical Center and the Wrangell Public Schools facilities located near that distribution point.
- **Mgt:** The abbreviation for Management Fee. The Mgt. is the amount per gallon that the contractor charges the Borough to deliver the fuel. This fee must include all of the contractor's fixed and variable costs such as overhead, handling, delivery costs, fees, profit, etc. and the contractor's cost of having the fuel shipped from a refinery to the contractor's distribution point.
- **OPIS:** Acronym for Oil Price Information Service:<http://www.opisnet.com/>
- **OPIS Price Location:** The OPIS Price location is Seattle.
- **TFC:** The abbreviation for Total Fuel Cost. The TFC is the actual total amount charged by the vendor for a gallon of fuel, to be reflected on an invoice issued to the borough, medical center or school by a contractor for fuel delivered. This cost is the gallons purchased times the (Management Fee plus the OPIS price per gallon) plus any required taxes.

INDEMNIFICATION: The contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the contractor under this agreement. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency.

If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

INSURANCE: Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the borough shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the contracting officer prior to beginning work and must provide for a 30-day prior notice of cancellation, non-renewal or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

Proof of insurance is required for the following:

Workers' Compensation Insurance: the contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the state.

Commercial General Liability Insurance: covering all business premises and operations used by the contractor in the performance of services under this agreement with minimum coverage limits of \$1,000,000 combined single limit per occurrence and a pollution endorsement.

Commercial Automobile Liability Insurance: covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

Copies of Certificates of Insurance may be supplied with the bid and must be obtained by the contracting officer prior to the award of a contract. Failure to supply satisfactory proof of insurance within the time required will cause the state to declare the bidder non-responsible and reject the bid.

FIRM, UNQUALIFIED AND UNCONDITIONAL OFFER: Bidders must provide enough information with their bid to constitute a definite, firm, unqualified and unconditional offer. To be responsive a bid must constitute a definite, firm, unqualified and unconditional offer to meet all of the material terms of the ITB. Material terms are those that could affect the price, quantity, quality, or delivery. Also included as material terms are those which are clearly identified in the ITB and which, for reasons of policy, must be complied with at risk of bid rejection for non-responsiveness.

PRODUCT TESTING: The fuels offered must meet the specifications listed. Prior to bid award and/or during the term of any contracts resulting from this ITB, tests may be performed by the borough at its discretion, using appropriate test equipment and methods to measure the conformance with the specifications. The contractor will be allowed to participate in any such tests.

PRODUCT QUALITY: In case of substandard fuel or damage directly traceable to contaminants in the fuel, the contractor will be responsible for all costs incurred, including costs of removing all contaminated fuel from the tanks or drums, employee costs, damage to machinery, replacement parts and filters and any additional expense. This includes, but is not limited to, the following impurities: water, dirt, harmful oils, fibrous materials, bacteria, other petroleum products, and contaminants.

PROTECTION OF BOROUGH PROPERTY AND SPILL PREVENTION: The contractor shall not damage or contaminate existing buildings, equipment, asphalt pavement, soil, and vegetation, (such as trees, shrubs and grass) on borough property. If the contractor damages or contaminates any such buildings, equipment, asphalt pavement, soil or vegetation, or other borough facilities, they shall replace the damaged items or repair the damage at no expense to the borough and to the satisfaction of the borough. Further, should the contractor fail or refuse to make such repairs or replacements, the borough may have said repairs or replacement accomplished, and the contractor shall be liable for the cost thereof which may be deducted from the amounts due under this contract.

The contractor must take all measures as required by law to prevent petroleum, oil or lubricant (POL) spills (including, but not limited to, any spilling, leaking, pumping, pouring, emitting, emptying, or dumping into or onto any land or water). In the event the contractor spills any POL (including, but not limited to, gasoline, diesel fuel, fuel oil, lubrication oil, hydraulic oil or aviation fuel), the contractor shall be responsible for the containment, clean-up, and disposal of the POL spilled.

Should the contractor fail or refuse to take the appropriate containment, clean-up, and disposal actions, the borough may do so itself; the contractor shall then reimburse the borough for all expenses incurred including fines levied by appropriate agencies of federal or local governments.

SPILL CLEAN-UP:The contractor shall be responsible for all fuel spills caused by their negligence that may occur during transit or fueling operations. Contractors must immediately report spillage to the local Alaska Department of Environmental Conservation (DEC), and to the United States Coast Guard District Office (USCG), as required by law, and clean up the spillage. Failure to do so will cause the borough to take corrective action and charge the contractor for all related costs.

ORDERING PROCEDURES: Orders placed under the contracts established as a result of this ITB fall into two categories as detailed below:

As Needed Orders

As needed orders placed by using agencies will normally be made via a telephone call to the vendor requesting an “as needed” delivery. Ordering agencies should be prepared to provide the vendor the following information:

- Type of fuel required
- Estimated quantity of fuel required
- Delivery address
- Billing address
- Contact name and phone number at delivery address

Keep Full Orders

Keep full orders are generally only placed one time. Once placed, it is the contractor’s responsibility to ensure the tank is never less than 25% full. Ordering agencies should be prepared to provide the vendor the following information:

- Type of fuel required
- Size of tank
- Estimated annual quantity
- Special considerations: This could include changing to a different fuel in the winter or having a new requirement due to changes in state operations.
- Delivery address
- Billing address
- Contact name and phone number at delivery address

Note: The ordering agency should notify the contracting officer if a contractor allows a tank to run out of fuel.

RUN-OUT PENALTY:The contractor shall be subject to a \$250.00 run-out penalty each time a tank is permitted to run dry. Upon authorization from the contracting officer, the penalty will be deducted from the next invoice paid by the state. The contractor shall also liable for any and all damages in excess of \$250 to borough equipment and property that results from the tank running out of fuel.

DELIVERY:While no guarantee is offered or implied as to the quantity of fuel purchased, the contract price shall apply regardless of the quantity of fuel purchased. All deliveries are F.O.B. into borough bulk fuel tanks within the City and Borough of Wrangell which also includes both the School and Hospital.

All deliveries will be on a “keep full” or “as needed” basis. An agency may request in writing that deliveries be changed to either an “as needed” or “keep full” basis. If requested, the change in delivery status will be effective 30 days after the written notice is provided to the contractor.

Keep Full:

When “keep full” service is requested by an agency, this means that the contractor shall ensure that all tanks will be maintained by the contractor to be not less than 25% full at any time.

As Needed:

When “as needed” service is requested by an agency, the contractor shall complete the delivery **within two working days** after the receipt of an order. Deliveries are to be coordinated between the contractor and the ordering agency upon the placement of an as needed order.

CERTIFIED METERS: All fuel delivered by truck must either be certified at the rack through a bill of lading (BOL) for accurate delivery volume or be delivered by a truck that has fixed meters for registering exact quantities of fuel pumped. Regardless of method, all meters utilized for measuring fuel volume shall be calibrated and certified by State of Alaska, Department of Transportation and Public Facilities, Division of Weights and Measures.

Meters must be recalibrated at the frequency prescribed by the Department of Transportation and Public Facilities. Meters that malfunction must be repaired and re-calibrated before being placed back in service. Any unsealed meter or meters found to be out of calibration tolerances shall not be utilized to perform any contract fueling requirements.

The contractor shall be responsible for all calibration or recalibration costs. Meters must have totalizer capability along with register capability. All numbers on the registers and totalizers must be legible and easy to read.

SPECIFICATIONS: All fuel delivered must meet the appropriate current ASTM specification for the type of fuel delivered. It is the contractor’s responsibility to ensure that all EPA requirements are met and to ensure continued compliance with all federal, state, and local requirements throughout the term of the contract including all renewals.

All diesel tanks used for refueling vehicles and equipment along the main highway systems must dispense ultra low sulfur diesel per the EPA mandates.

For information on the requirements of ULSD fuel for “on road” use in Alaska, see the Department of Environmental Conservation website at: <http://dec.alaska.gov/air/anpms/ulsd/ulsdhome.htm>

ADDITIVES: At the ordering agencies request, contractors may be required to supply, and in some cases blend, fuel additives, conditioners, or treatments product into the fuel purchased. All additives, conditioners, and treatments must meet the applicable federal, state, and local requirements and ensure the fuel delivered remains complaint to all EPA requirements.

The price charged for all additives, conditioners, or treatments shall be based on the contractor’s wholesale price. The price for the additive, conditioner, or treatment shall be added to the fuel delivery invoice as a separate line item. The state reserves the right to purchase additives, treatments, and

conditioner from all available sources, including non-contract sources. Blending shall be provided by the contractor at no additional charge to the borough.

INTERRUPTION OF SERVICE: If, in the event fueling services are interrupted at any of the specified fueling locations and the interruption is the responsibility of the contractor's, the contractor must notify the contracting officer at the following number: (907) 874-2381.

Should a contractor determine the need to subcontract for fuel delivery in a specific location in order to meet the contract terms and conditions, the contractor will be required to provide in writing, all subcontractor information, location of delivery, and the amount and type of fuel required, to the contracting officer for approval, prior to fuel delivery. The fuel must be delivered in accordance with the terms and conditions of the contract and no additional charges will be allowed.

CONTRACT PRICING: For information on the pricing method in effect at the specific fueling location, please see the **Bid Schedule**. Contract pricing shall be based on the following two methods:

Standard Delivery Price Structure:

For all locations under the Standard Delivery Price Structure, the contract pricing will fluctuate according to the Oil Price Information Service (OPIS) Daily gross rack average price provided by OPIS. For additional information on OPIS, contact the following:

Oil Price Information Service
Two Washingtonian Center
9707 Washingtonian Blvd., Suite 100
Gaithersburg, MD 20878

Circulation: (888) 301-2645
<http://www.opis.net.com>

- Bidders are required to use Seattle OPIS as a price location for each Standard Delivery location (lot) they are bidding on. The OPIS daily price shall remain firm through the term of the contract including any renewals.
 - Upon award, the per gallon fuel price will be based on the OPIS Daily gross rack price per gallon in effect for deliveries on the Bid Schedule for the type and grade of fuel delivered.
 - The Mgt price offered in response to this ITB will be added to the published OPIS Weekly average gross rack in effect on the day of delivery for the type and grade of fuel delivered to equal the TFC per gallon charged to the borough under the contracts resulting from this ITB.

The price per gallon of fuel for locations under the Standard Delivery Price Structure shall be based on the following components:

- **OPIS Daily gross rack price:** The OPIS Daily gross rack price in effect on the day of delivery for the type and grade of fuel delivered. The OPIS price in effect on the day of delivery is the OPIS report. For example, fuel delivered on Monday would have the OPIS price for Monday. In the event that two different prices come out for the same day, the lower price will be used.

- **Mgt:** The amount per gallon that the vendor charges the borough to deliver the fuel. This fee must include all of the vendor's fixed and variable costs such as overhead, handling, delivery costs, fees, profit, etc., and the vendor's cost of having the fuel shipped from a refinery to the vendor's distribution point.

The total of the OPIS Daily gross rack price plus the Mgt shall equal the TFC price per gallon paid by the borough for fuel delivered by the vendor on a specific day for a specific fuel type. The TFC is multiplied by the quantity of fuel delivered to equal the amount the borough is invoiced. The OPIS Weekly average gross rack price fluctuates on a weekly basis while the Mgt is a firm rate.

The above price structure applies for all purchases of fuel in standard delivery locations regardless of fuel quantities.

Invoice Price Structure Example

OPIS		Mgt.		TFC		Qty		Invoice Amount
\$3.459	+	\$0.1025	=	\$3.5615	x	2500	=	\$8903.75

*The values shown in the example are for illustrative purposes only.

*Any required federal or state taxes will be added as necessary

Mgt Price Adjustment: The Mgt. price offered in response to this ITB for each delivery location shall remain firm from the date of award through January 31, 2016. The Mgt. price is the amount per gallon that the contractor charges the borough to deliver the fuel. This fee must include all of the contractor's fixed and variable costs such as overhead, handling, delivery costs, fees, profit, etc., and the contractor's cost of having the fuel shipped from a refinery to the contractor's distribution point.

INVOICING: All invoices produced by the contractor as a result of purchases made by the borough shall contain the following information, at a minimum:

1. Delivery location
2. Delivery ticket number
3. Date of order (if an "as needed" order)
4. Date of delivery
5. Type of fuel delivered
6. Quantity delivered
7. Type, quantity and price for any additives
8. Total extended price

Only one invoice may be submitted per order; do not produce multiple invoices for partial shipments. Partial payments will not be made.

This borough bid has fuel deliveries to three (3) public entities which include the City and Borough of Wrangell, Wrangell Public Schools and the Wrangell Medical Center. Invoices for each entity will need to be delivered to their individual addresses as follows and is included in Attachment A:

City and Borough of Wrangell

Box 531
Wrangell, Alaska 99929

Wrangell Public Schools
Box 2319
Wrangell, Alaska 99929

Wrangell Medical Center
Box 1081
Wrangell, Alaska 99929

Invoices that contain the appropriate information will be processed for payment. Invoices that do not contain the correct documentation will be returned to the contractor for clarification.

It shall be the responsibility of the contractor to include with the invoice if possible, fuel delivery ticket(s) that are legibly signed by authorized borough personnel. The borough recognizes that under some circumstances it may not be possible to have the delivery tickets signed by an authorized representative of the borough. However, the contractor must make a reasonable effort to have the delivery tickets signed. The quantity and fuel type as indicated on the delivery ticket(s) must be the same as the quantity and fuel type on the invoice submitted for payment.

INVOICE SUBMITTAL: Invoices for all fuel purchases must be sent directly to the ordering agency. It shall be the responsibility of the contractor to obtain the correct mailing address and billing contact information for all users.

NEW USERS: New users within a location serviced under a contract may be added at any time during the contract term. The contractor, prior to start of delivery to a qualified new user, should obtain required delivery and billing information from the ordering agency.

ESTIMATED QUANTITIES: The quantities referenced in this ITB are the borough's estimated annual requirements and may vary more or less from the quantities actually purchased. The borough does not guarantee any minimum or maximum purchase. Orders will be issued throughout the contract period as required. See both the **Bid Schedule and Attachment A** for estimated annual usage quantities.

A hard copy of the Bid Schedule must be included with your bid. Failure to submit a hard copy of the Bid Schedule with your bid will cause the borough to consider the bid non-responsive and reject it.

Bid Delivery

- **Management Fee:** Enter the Mgt that you are offering in response to this ITB. If you are offering a negative number, a negative number must be entered (\$-.0125). The Mgt fee may be entered to four decimal points, for example (\$ 0.1256).
- **Bid Form:** The bid submitted must be submitted on the bid form with the following items included:
 - **Proof of insurance per the ITB**
 - **Proof of Alaska Business License**
 - **Name and address of the bidder, including phone contact**
 - **Federal Tax ID number**
 - **Name and signature of authorized representative**

FUEL BIDS- BID SUBMITTAL FORM

BID OPENING: JANUARY 18TH, 2014 , 2:00 P.M.

CITY HALL, 205 BRUEGER STREET, WRANGELL, ALASKA

		(SEE DEFINITION IN BID DOCUMENT) (EST USAGE X MGT)			
		ESTIMATED ANNUAL USAGE	FUEL TYPE	MANAGEMENT FEE BID (MGT)	BID AMOUNT
1	HIGH SCHOOL	2,000	#2 HEATING FUEL		
2	MIDDLE SCHOOL	8,500	#2 HEATING FUEL OR WINTER BLEND		
3	ELEMENTARY SCHOOL	12,500	#2 HEATING FUEL		
4	WRANGELL MEDICAL CENTER	20,000	#2 HEATING FUEL OR WINTER BLEND		
5	NOLAN CENTER	1,500	#2 HEATING FUEL OR WINTER BLEND		
6	PUBLIC SAFETY BUILDING	2,800	#2 HEATING FUEL		
7	ELECTRICAL GENERATION PLANT	66,000	#2 HEATING FUEL		
8	ELECTRIC PLANT HEAT	6,500	#2 HEATING FUEL		
9	PUBLIC WORKS HEAT	1,900	#2 HEATING FUEL OR WINTER BLEND		
10	HARBOR OFFICE	1,000	#1 HEATING FUEL		
11	TRAVEL LIFT MACHINE	1,300	#2 HEATING FUEL		
12	PUBLIC WORKS VEHICLE-DIESEL	8,600	#2 HEATING FUEL		
13	PUBLIC WORKS UNLEAD GAS	19,000	UNLEADED GAS		

TOTAL BID

*NOTE: FOR PURPOSES OF THIS BID, THE OPIS PRICE WILL BE THE SAME FOR EACH BIDDER SO
THE MANAGEMENT FEE (MGT) IS THE ONLY FACTOR THAT IS IMPORTANT IN DETERMINING
THE LOW BIDDER AND IS ALL THAT WILL BE USED IN THE BID SHEET.

THE FOLLOWING ARE REQUIRED AS PART OF THE BID SUBMITTAL

PROOF OF INSURANCE ATTACHED:

PROOF OF ALASKA BUSINESS LICENSE OR LICENSE NUMBER:

NAME AND ADDRESS OF THE BIDDER:

FEDERAL TAX ID NUMBER OF BIDDER:

NAME OF AUTHORIZED REPRESENTATIVE:

SIGNATURE OF AUTHORIZED REPRESENTATIVE:

DATE:

CTIY AND BOROUGH OF WRANGELL
FUEL BIDS

ATTACHMENT A

		ESTIMATED ANNUAL USAGE	TANK SIZE	KEEP FULL OR AS NEEDED	FUEL TYPE	LOCATION	BILLING ADDRESS
1	HIGH SCHOOL	2,000	10,000	Keep Full	#2 HEATING FUEL	BURRIED TANK BETWEEN THE HIGH SCHOOL AND RIED STREET	WRANGELL PUBLIC SCHOOLS , BOX 2319, WRANGELL, ALASKA 99929
2	MIDDLE SCHOOL	8,500	4,000	Keep Full	#2 HEATING FUEL OR WINTER BLEND	ABOVE GROUND TANK BETWEEN HIGH SCHOOL AND MIDDLE SCHOOL	WRANGELL PUBLIC SCHOOLS , BOX 2319, WRANGELL, ALASKA 99929
3	ELEMENTARY SCHOOL	12,500	3,000	Keep Full	#2 HEATING FUEL	BURRIED TANK BETWEEN THE ELEMENTARY SCHOOL AND BENNETT STREET	WRANGELL PUBLIC SCHOOLS , BOX 2319, WRANGELL, ALASKA 99929
4	WRANGELL MEDICAL CENTER	20,000	3,000	Keep Full	#2 HEATING FUEL OR WINTER BLEND	BURRIED TANK NEAR THE CLINIC ENTRANCE	WRANGELL MEDICAL CENTER, BOX 1081, WRANGELL, ALASKA 99929
5	NOLAN CENTER	1,500	4,000	Keep Full	#2 HEATING FUEL OR WINTER BLEND	ABOVE GROUND TANK IN THE BACK PARKING LOT	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
6	PUBLIC SAFETY BUILDING	2,800	4,000	Keep Full	#2 HEATING FUEL	BURRIED TANK IN THE FENCED YARD BELOW THE BUILDING	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
7	ELECTRICAL GENERATION PLANT	66,000	10,000	Keep Full - Note Below	#2 HEATING FUEL	ABOVE GROUND TANK BEHIND THE POWER PLANT	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
8	ELECTRIC PLANT HEAT	6,500	500	Keep Full	#2 HEATING FUEL	INSIDE THE POWER PLANT HOUSE	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
9	PUBLIC WORKS HEAT	1,900	275	Keep Full	#2 HEATING FUEL OR WINTER BLEND	INSIDE THE PUBLIC WORKS SHOP	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
10	HARBOR OFFICE	1,000	1,000	Keep Full	#1 HEATING FUEL	ABOVE GROUND TANK ON THE NORTHWEST SIDE OF THE BUILDING	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
11	TRAVEL LIFT MACHINE	1,300	?	Keep Full	#2 HEATING FUEL	LOCATED IN THE MARINE CENTER YARD-VARIOUS LOCATIONS	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
12	PUBLIC WORKS VEHICLE-DIESEL	8,600	850	Keep Full	#2 HEATING FUEL	LOCATED IN THE PUBLIC WORKS YARD	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929
13	PUBLIC WORKS UNLEAD GAS	19,000	850	Keep Full	UNLEADED GAS	LOCATED IN THE PUBLIC WORKS YARD	CITY AND BOROUGH OF WRANGELL, BOX 531, WRANGELL, ALASKA 99929

NOTE: ELECTRIC GENERATION PLANT- USUALLY THE PLANT IS ONLY RUN ONCE A YEAR FOR ANY LENGTH OF TIME AND WHEN THAT HAPPENS WE GO THROUGH MOST OF OUR ANNUAL AMOUNT IN A WEEK TO TEN DAYS. IF OUR MAIN SOURCE OF POWER IS DOWN, WE RUN OUR DIESEL GENERATORS TO SUPPLY ELECTRIC POWER TO WRANGELL. WHEN WE HAVE A KNOW OUTAGE PLANNED, WE WILL NOTIFY OUR SUPPLIER AT LEAST 30 DAYS IN ADVANCE.