



DEPARTMENT OF FINANCE

INVITATION TO BID

August 30, 2018

**BID TITLE: FUEL**

**BID #: I00118**

**BID OPENING DATE: Tuesday, September 25, 2018, at 2:00 p.m.**

**DELIVERY DATE: As needed per notification by department.**

**BID BOND REQUIRED: No**

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The City of Staunton is seeking bids from qualified vendors to furnish fuels to the City during the next two (2) year period, beginning October 23, 2018, with two (2) possible two-year (2-year) renewals. Any questions regarding the specifications for this bid should be directed to Mark Holland, Traffic Engineering Superintendent, at (540) 332-3899 or at [hollandmp@ci.staunton.va.us](mailto:hollandmp@ci.staunton.va.us). Questions are due by no later than 4:00 p.m. Tuesday September 11, 2018.

Please quote lowest price and best delivery on items listed. Please advise what discount, if any will be allowed for payment within a specified time. Terms and delivery date must be specified.

Right is reserved to accept or reject bids on each item separately or as a whole, to reject any or all bids, to waive informalities or irregularities, to negotiate contract terms and options with the successful low bidder, and to contract for the bid to other than the lowest bidder in the best interest of the City of Staunton to the extent allowable by law.

The City does not discriminate against small and minority businesses or faith-based organizations.

All bids must be submitted in a sealed envelope plainly marked, **Bid No. "I00118-FUEL"**, with the name and address of the bidder in the upper left hand corner and accompanied by complete specifications for the items offered. **E-Mail and facsimile responses are not acceptable.** No responsibility will attach to the City or any official or employee thereof for the pre-opening of, post-opening of, or the failure to open a proposal not properly addressed and identified.

**BIDS RECEIVED AFTER THE DATE AND TIME SPECIFIED WILL BE REJECTED**

**BIDS MUST BE SEALED, MARKED, AND DELIVERED TO:**

**Mail To:**  
**City of Staunton**  
**Chad M. Horvat**  
**Finance Business Manager**  
**P.O. Box 58**  
**Staunton, VA 24402-0058**

**Overnight To:**  
**City of Staunton**  
**Chad M. Horvat**  
**Finance Business Manager**  
**116 W Beverley St., 3<sup>rd</sup> Floor**  
**Staunton, VA 24401**

**Phone: (540) 332-3819**

CITY OF STAUNTON  
PURCHASING DEPARTMENT  
GENERAL TERMS, CONDITIONS, AND INSTRUCTIONS

1. SUBMISSION AND RECEIPT OF BIDS:

- (A) Bids, to receive consideration, must be received prior to the specified time and date of opening as designated in the invitation. E-mail and facsimile submittals are not acceptable.
- (B) Unless otherwise specified, bidders must use the bid form furnished by the City. Failure to do so may cause bid to be rejected. Removal of any part of the bid form may invalidate the bid.
- (C) Bids having any erasures, corrections, or typewriter corrective fluid are not acceptable and will result in rejection of the bid. Prior to submission or opening, errors may be crossed out, corrections entered in ink and initialed in ink by the person signing the bid. No bid shall be altered or amended after the specified time for opening.
- (D) All bids shall be either typewritten or filled in with ink in order to be considered. Also, all bids must be signed in ink in order to be considered.
- (E) Bids concerning separate bid invitations must not be combined on the same form or placed in the same envelope. Bids submitted in violation of this provision may not be considered.
- (F) When specified, each bid shall be accompanied by a bid bond with surety satisfactory to the City or a cashier's or certified check, made payable to the Treasurer, City of Staunton, in an amount equal to 5 per cent of the total bid price. In the event of default by the bidder the 5 per cent deposit shall be and represent liquidated damages to the City.

2. ANNUAL CONTRACT USAGE REQUIREMENTS: Whenever a bid is sought seeking a source of supply for an annual contract for products or services, the quantities or usage shown are estimates only. No guarantee or warranty is given or implied by the City of Staunton as to the total amount that may or may not be purchased from any resulting contracts.

3. PRICING:

- (A) Bidder warrants by virtue of bidding that prices, terms, and conditions quoted in his bid will be firm for acceptance for a period of sixty (60) days from the date of bid opening unless otherwise stated by the City or bidder.
- (B) Prices should be stated in units of quantity as specified in the bid form. In case of error in extension of prices in the bid, the unit price shall govern.
- (C) Bids based on a firm price or those including a "Downward Escalator" clause for an annual contract period may be given preference over lower ones bearing an "Escalator" clause for an annual contract period.
- (D) When an annual contract is not requested by the City, and the bid is for products or services to be delivered on a one time only or staggered basis, only firm pricing shall be given consideration. General terms such as "Price in effect at time of delivery" shall be cause for rejection of bid.

4. PERFORMANCE BOND: When requested in the bid, the City shall require the successful bidder to furnish a performance bond and labor and material payment bond with surety satisfactory to the City in the amount of contract price at the time of or prior to execution of the contract. If no bond is furnished by the successful bidder, the City reserves the right to award the contract to the next lowest responsible bidder with the next lowest responsive bid.

5. DELIVERY POINT: All items shall be delivered F.O.B. destination, and delivery costs and charges included in the bid price. Failure to do so may be cause for rejection of bid. The bidder shall assume all liability and responsibility for the delivery of merchandise in good condition to the specified delivery location(s).
6. CASH DISCOUNTS: Cash discounts will be considered in determining the award.
7. BRAND NAMES: Unless otherwise provided in the invitation for bid, the name of a certain brand, make, or manufacturer does not restrict bidders to the specific brand, make, or manufacture mentioned; it conveys the general style, type, character, and quality of the equipment desired. The City shall determine in its sole discretion equipment bid to be equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted.
8. SPECIFICATIONS: The bidders must also indicate any variances from our specification and/or conditions, NO MATTER HOW SLIGHT. If variations are not stated in the bid, it will be assumed that the product or service fully complies with our specifications. The Purchasing Department is not responsible for locating or securing any information which is not included in the bid. Accordingly, to insure that sufficient information is available, the bidder must furnish as part of his bid all descriptive material, (i.e., Catalog Cuts, illustrations, drawings, specifications, or other information) necessary for the Purchasing Department to determine whether the goods or services offered meet the salient characteristic requirements of the bid.
9. LATEST MODEL/QUALITY: Bidder shall bid on the latest model, design, etc. of this type of equipment by the manufacturer of which he represents. Equipment shall be new and unused.
10. NOTICE OF AWARD: Notice of award will be posted at <https://www.ci.staunton.va.us/departments/finance/procurement>.

**CITY OF STAUNTON  
BID FORM**

| Estimated Annual Qty. | Specifications                                                                            | Mark-up Per Gal. | Freight Per Gal. |
|-----------------------|-------------------------------------------------------------------------------------------|------------------|------------------|
|                       | <b>TANK WAGON</b>                                                                         |                  |                  |
| 2000 Gallons          | <b>Ultra-Low Sulfur Diesel; #2/Combustible Liquid</b><br>NA 1993/PG11/Class               | \$_____          | \$_____          |
|                       | Lubrication Additive - \$_____ per _____                                                  |                  |                  |
|                       | Brand to be used: _____                                                                   |                  |                  |
|                       | Anti-Gel Additive - \$_____ per _____                                                     |                  |                  |
|                       | Brand to be used: _____<br><b>See Specifications 4 and 5 for information on Additives</b> |                  |                  |
|                       | Indicate any rebate for volume purchase, etc.<br>\$_____                                  |                  |                  |
| 4,000 gallons         | <b>Unleaded Gasoline/Flammable Liquid</b><br>UN 1203/PG11/Class 3                         | \$_____          | \$_____          |
|                       | Indicate any rebate for volume purchase, etc.<br>\$_____                                  |                  |                  |
|                       | <b>TRANSPORT TRUCK</b>                                                                    |                  |                  |
| 110,000 gallons       | <b>Unleaded Gasoline/Flammable Liquid</b><br>UN 1203/PG111/Class 3                        | \$_____          | \$_____          |
|                       | Indicate any rebate for volume purchase, etc.<br>\$_____                                  |                  |                  |
| 65,000 gallons        | <b>Ultra-Low Sulfur Diesel; #2/Combustible Liquid</b><br>NA 1993/PG11/Class               | \$_____          | \$_____          |
|                       | Biocide Additive - \$_____ per _____                                                      |                  |                  |
|                       | Lubrication Additive - \$_____ per _____                                                  |                  |                  |
|                       | Brand to be used: _____                                                                   |                  |                  |
|                       | Anti-Gel Additive - \$_____ per _____                                                     |                  |                  |
|                       | Brand to be used: _____<br><b>See Specifications 4 and 5 for information on Additives</b> |                  |                  |
|                       | Indicate any rebate for volume purchase, etc.<br>\$_____                                  |                  |                  |

**Notes for Bidding**

- Do not use percentages. For example, please quote .010 for one cent cost. Do not use more than four (4) decimal places (.0100).
- All additional costs for delivery to any location listed MUST be shown in space provided next to that location on attachment.
- Do not include taxes in your quotation. Tax exempt forms will be furnished/signed by the Supervisor of Purchasing upon request.

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**PER ATTACHED SPECIFICATIONS**

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**OFFER**

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**To Purchasing Department:**

In compliance with the bid information, the undersigned offers and agrees, if this offer is accepted within \_\_\_\_\_ calendar days (30 calendar days unless a different period is inserted by the purchaser) from the bid open date specified above, to furnish any or all items upon which prices are offered, at the price set opposite each item, delivered at the designated point(s), within the time specified.

Bidder guarantees shipment from \_\_\_\_\_ via \_\_\_\_\_ within \_\_\_\_\_ days after receipt of order.

FOB: \_\_\_\_\_ TERMS: \_\_\_\_\_

BIDDER/COMPANY NAME: \_\_\_\_\_

BY: \_\_\_\_\_

TYPED NAME OF BIDDER: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

CITY AND STATE: \_\_\_\_\_

FEDERAL ID NUMBER: \_\_\_\_\_ SCC NUMBER: \_\_\_\_\_

E-MAIL ADDRESS: \_\_\_\_\_

DATE: \_\_\_\_\_ PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

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**UNLEADED GASOLINE AND DIESEL FUEL**  
**SPECIFICATIONS**

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1. Delivery for unleaded and ultra-low sulfur diesel fuel shall be made within 48 hours after telephone notification by City staff and to location specified by the City of Staunton.
2. Fuel deliveries will only be accepted between 7:30AM – 3:30PM Monday through Friday (except holidays).
3. Quantities shown are estimated usage for a twelve (12) month period. These are not to be construed as commitment by the City to purchase these amounts. Usage is shown strictly for benefit of bidders.
4. Contractors are requested to supply pricing for ultra-low sulfur diesel additives as follows:
  - Lubrication additive to be included year round. Additive to be used shall be Stanadyne Performance Formula Junior (#3149) or equal.
  - Anti-gel additive to be included during winter months only. Additive to be used shall be Power Service Premium, Arctic Express (#7055) or equal

Determination of equal product shall be at the sole discretion of the City of Staunton.

5. Contractors shall include a biocide (an additive to prevent microbial activity) in the first load of ultra-low sulfur diesel fuel delivered and as requested thereafter.
6. The unleaded gasoline product cannot contain an ethanol blend.
7. QUALITY
  - a. All fuel to be delivered on any order, proceeding from proposals submitted on this bid, shall be free of foreign matter and impurities and shall be equal to or better in every way than the kind and grade certified in the originating bid. All grades of fuel must be homogenous at time of delivery and remain so in normal storage. The City reserves the right to require the contractor to draw a sample of gasoline or diesel fuel from his delivery truck for submission to an independent laboratory for an analysis check at the City's expense. Any fuel not meeting specifications will not be acceptable to the City and must be removed from the tank at the Contractor's expense.
  - b. No Contractor may substitute a fuel of lower grade than specified in the contract for any point of delivery.
  - c. One (1) gallon of fuel shall be equal in volume to one (1) fluid gallon as defined by the United States Bureau of Standards.
  - d. Gasoline is unacceptable if it:
    - exceeds a vapor pressure of 9.0 pounds per square inch
    - contains more than 0.05 gram of lead per gallon;
    - contains more than 0.005 gram of phosphorus per gallon;

- manganese or any compound of manganese has been added to the gasoline; or
- e. Requirements regarding Federal/State regulations for the grades of gasoline such as “Oxygenated” and “Reformulated” shall be included with the bid.
8. In the event the successful bidder cannot provide the products they contract to supply, the City reserves the right to purchase same or equal product wherever available. The City will purchase fuel without being restricted to local area, at the best available prices as determined by an authorized agent of the City with successful bidder responsible for all costs incurred over and above contract price.
9. The contractor shall make deliveries in a neat and business-like manner. The Contractor is responsible for clean-up of spills incidental to deliveries at his/her expense and to the satisfaction of the City. Contractor is responsible for all carrier claims.
10. The City will not be responsible for injury or damage incurred during performance of this service and or contract. The Contractor shall file with the City certificates or policies of workmen’s compensation, public liability, automobile liability (including non-ownership and hired vehicle liability) and property damage insurance satisfactory to the City in compliance with the law in form and amount sufficient properly to protect the City. All insurance required by this agreement shall be and remain in full force and effect for the entire life of the contract. The City shall be named as an additional insured under such insurance contracts which shall contain a stipulation that the insurance contracts provided shall not terminate, lapse, or otherwise expire prior to thirty (30) days written notice to that effect given by the insurance carrier in advance of the termination to the City. Also, the insurance carrier will not invoke the defense of performance of a governmental function by the party of the first part in performing this contract to defeat liability or recovery under the insurance contract.
11. Bidder shall furnish names and titles of all individuals in the company authorized to accept or offer changes to this contract.

Name\_\_\_\_\_

Name\_\_\_\_\_

Title\_\_\_\_\_

Title\_\_\_\_\_

12. Specify terminal from which requirements will be filled and on which bid is based.

Name\_\_\_\_\_

Address\_\_\_\_\_

Terminal Telephone Number \_\_\_\_\_

13. Vendor shall not furnish fuels from terminal other than that specified in bid unless cost to buyer is reduced and buyer is informed of and approves of change prior to delivery. Buyer shall also be furnished information required in Specification #7 for any alternate supplies used during life of contract.
14. Base unit price shall increase or decrease based on rack price at terminal specified above. Mark-up and freight shall be firm for contract.
15. Initial contract shall run for one (1) two-year (2-year) period beginning October 23, 2018 and ending October 22, 2020. Contract shall be subject to renewal for no more than two (2) two-year (2-year) periods provided agreement on price adjustments are reached prior to expiration of contract.
16. Contract may be cancelled for cause by either party with written notice thirty (30) days prior to effective date.
17. Tanks sizes and locations are listed on attachment A.
18. Agencies under contract resulting from this bid shall be considered priority accounts in the event of supply shortages occurring during life of the contract.
19. Any rebates, discounts, freight allowances, or other assistance received from supplier shall be fully disclosed in bid. If such pricing structure of assistance is not permanent, such information must be disclosed fully in bid. Failure to do so shall be considered grounds for termination of contract. If such information is to be held confidential it shall be clearly identified as such or it becomes public information after bids have been opened.
20. The successful bidder will be required to submit a bill of lading with each shipment of fuel to allow the City to identify the carrier.
21. The City of Staunton reserves the right to waive the bill of lading requirement, but also reserves the right to perform a test at selected times throughout the duration of the agreement in order to determine the octane percentage as well as additives to the fuels being supplied by successful bidder.

## ATTACHMENT A

| <b><u>Fuel Locations</u></b>                                                     | <b><u>Tank Size</u></b> |
|----------------------------------------------------------------------------------|-------------------------|
| <b>1. Public Works Site – Englewood Drive</b>                                    |                         |
| Unleaded                                                                         | 10,000 gal.             |
| Unleaded                                                                         | 10,000 gal.             |
| Diesel                                                                           | 10,000 gal.             |
| <b>2. Building and Grounds – Gypsy Hill Park</b>                                 |                         |
| Unleaded                                                                         | 4,000 gal.              |
| Diesel                                                                           | 4,000 gal.              |
| <b>3. Water Treatment Plant – Englewood Drive</b>                                |                         |
| Diesel (Note: Anti-gel additive winter only/<br>lubrication additive year round) | 500 gal.                |
| <b>4. City Hall – 116 West Beverley Street</b>                                   |                         |
| Diesel (Note: Anti-gel additive winter only/<br>lubrication additive year round) | 250 gal.                |
| <b>5. Public Works Facility – Englewood Drive</b>                                |                         |
| Diesel (Note: Anti-gel additive winter only/<br>lubrication additive year round) | 150 gal.                |
| <b>6. Bell Creek Pump Station – 1826 Churchville Avenue</b>                      |                         |
| Diesel (Note: Anti-gel additive winter only/<br>lubrication additive year round) | 175 gal.                |

## GENERAL REQUIREMENTS:

- A. **BID QUESTIONS AND ADDENDA:** All questions must be submitted in writing to Mark Holland, Traffic Engineering Superintendent at [hollandmp@ci.staunton.va.us](mailto:hollandmp@ci.staunton.va.us) no later than 4:00 p.m. Tuesday September 11, 2018. Prior to submitting their bids, it is the contractor's responsibility to check the City of Staunton web-site (<http://www.staunton.va.us/solicitations>) for any addenda associated with this Invitation to Bid of the Authority. Any addenda and all questions and answers will also be available by close of business on Thursday, September 13, 2018.
- B. **COOPERATIVE PROCUREMENT:** This procurement is being conducted on behalf of other public bodies, in accordance with § 2.2-4304 (A) of the Code of Virginia. If authorized by the bidder, the resultant contract may be extended to any public body in the Commonwealth of Virginia in accordance with contract terms.
- C. Pursuant to Code of Virginia, §2.2-4311.2 subsection B, a bidder or offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror that is not required to be authorized to transact business in the

Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized.

- D. PERMITS: The contractor shall be responsible for obtaining all required City permits at their own expense. The successful contractor must have a valid City of Staunton Business License, which can be obtained at the Commissioner of Revenue office, 116 W. Beverley Street, Staunton, VA.
- E. INSURANCE: Contractor agrees to provide the City of Staunton a copy of their General Liability, Vehicle Liability, and Worker's Compensation Insurance prior to beginning work. Insurance shall be in amounts not less than \$2,000,000, \$500,000, and \$500,000 respectively and shall be written by companies licensed to do business in the Commonwealth of Virginia and shall list the City as an additional insured.
- F. IMMIGRATION REFORM AND CONTROL ACT OF 1986: During the performance of this contract, contractor agrees that they will not, and shall not knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986. (per 2.2-4311.1)
- G. GENERAL INDEMNITY AND HOLD HARMLESS: The Contractor shall indemnify, defend and hold harmless the City, its members of Council, officers, directors, agent and employees, against any and all claims, liabilities, losses, damages, costs and expenses (including reasonable attorney fees) arising out of, or resulting from any and all injuries to persons or damage to property arising out of services performed hereunder or by reason of the intentional or negligence acts or omissions of the Contractor, its employees, agents or sub-consultants, including any independent contractors. The provisions of this section of the Agreement shall survive the completion, termination or expiration of the Agreement.
- H. FORUM SELECTION: Any action, proceeding, or claim in any way related to this agreement or the relationship between the parties shall be filed and maintained solely in the General District Court or the Circuit Court of the City of Staunton, Virginia.
- I. APPROPRIATIONS: The obligations of the City of Staunton are subject to and contingent upon annual appropriation by City Council of sufficient funds for the purposes of this contract. In the absence of such annual appropriation, either the City of Staunton or Fuel Contractor may terminate this contract by giving not less than ten (10) days prior notice to the other, specifying this reason for the termination and upon effective termination pursuant to this provision, any compensation due shall be equitably adjusted by mutual agreement.
- J. PROMPT PAYMENT ACT: Any contract awarded as a result of this Request for Proposal shall incorporate the terms and conditions of Article 4 of the Virginia Public Procurement Act with respect to Prompt Payment.
- K. DRUG FREE WORKPLACE: During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free

workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000.00, so that the provisions will be binding upon each subcontractor or vendor.

L. NON-DISCRIMINATION: During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and the applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

The contractor will include the provisions of the foregoing paragraphs a, b and c in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.