

**Town of Lebanon
Request for Proposals
Fuel for Fiscal Year 2017
Proposal Specifications**

GENERAL INFORMATION

The Board of Selectmen and Board of Education of the Town of Lebanon will be accepting bids for the supply and delivery of fuel oil, diesel, and mid-grade gasoline for the period from July 1, 2016 to June 30, 2017.

BIDS

Sealed Bids will be received at the Office of the First Selectman, Town of Lebanon, 579 Exeter Road, Lebanon, CT 06249 until 4:00 pm on January 22, 2016. The bids will be opened at 3:00 pm on Tuesday, January 26, 2016 at a Board of Selectman Meeting at the Lebanon Town Hall. Bids shall be in a sealed envelope clearly marked: **BID: FUEL FOR FY 2017** along with the name of the Bidder, date and time of bid opening in order to guard against premature opening of the Bid.

All bids must be submitted on the forms provided and must be regular in every aspect. No interlineations, ditto marks, excisions or special conditions shall be made or included in the Bid Form provided.

Bid submittals shall include the following:

- Bid Proposal
- Non-Collusion Affidavit

The Town may consider as irregular any Bid on which there are any omissions, alterations of form, additions not called for, conditional or alternate Bids, or irregularities of any kind and, at its option, may reject same. The blank spaces in the proposal must be filled in correctly where indicated for each and every item for which a quantity is given typed or printed in ink. If any price is omitted, the Bid may be rejected. The Bidder shall sign his proposal correctly. If the proposal is made by an individual, his name and post office address must be shown. If made by a firm, partnership, or by a corporation, the proposal must be signed by an official of the firm, partnership, or corporation authorized to sign contracts, and also must show the post office address of the firm, partnership or corporation.

ADDENDA AND INTERPRETATIONS

Any request from a prospective Bidder for interpretation of meaning of Contract Drawings, Specifications or other Contract Documents shall be made to Betsy Petrie, First Selectman in writing at Town Hall, 579 Exeter Road, Lebanon, CT 06249 or via email (bpetrie@lebanonct.gov) no less than two (2) days prior to the bid deadline.

Interpretations will be made in the form of written Addenda to Contract Documents, which shall become a part of the Contract. Addenda will be e-mailed or faxed to all parties recorded as

having obtained Contract Documents. It is the responsibility of the bidder to verify that all Addenda have been received and incorporated into the submitted bid. Failure of any Bidder to receive any such Addenda shall not relieve Bidder from any obligations under his proposal as submitted. Only questions answered by formal written Addenda will be binding. Oral and other interpretations or clarifications will be without legal effect.

SITE CONDITIONS

At the date fixed for opening of Bids, it will be presumed that each Bidder has familiarized themselves with the locations, types of storage tank(s), and sites; has satisfied himself as to actual conditions, requirements and quantities of work; has considered federal, state and local laws and regulations that may affect cost, progress, performance or furnishing the Work; and has read and become thoroughly familiar with Contract Documents including specifications, addenda, and documents referenced therein.

The Town assumes no responsibility whatsoever with respect to ascertaining for the Contractor any facts concerning physical characteristics at the site of the project.

INSURANCE REQUIREMENTS

The vendor shall maintain for the life of the Contract the insurance coverage set forth below for each accident provided by insurance companies authorized to do business in the State of Connecticut with a rating by AM Best of "A" or better. A certificate of insurance indicating these amounts, and listing the Town of Lebanon and Lebanon Public Schools as additional insured, must be submitted at the time of award.

A. Commercial General Liability*

Limits of Liability:	Each Occurrence	\$1,000,000
	General Aggregate	\$3,000,000

*Includes coverage for: Products/Completed Operations, Contractual Insurance, Broad Form Property Damage, Independent Contractors, Personal Injury, Premises-Operations.

B. Auto Liability - Combined Single Limit \$1,000,000

C. Excess/Umbrella Liability:

Each Occurrence	\$5,000,000
General Aggregate	\$5,000,000

D. Owners Contractors Protective Liability (OCP) in the name of Lebanon Public Schools:

Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000

E. Worker's Compensation – Statutory

F. The contract of insurance shall provide for notice to the Town of Lebanon and Lebanon Public Schools of cancellation of insurance policies thirty (30) days before such cancellation is to take effect.

The contractor shall defend, save harmless and indemnify the Town of Lebanon and Lebanon Public Schools, its officers, agents, employees, and assigns from any damages resulting from any challenge to the legality of the bid process or any of the documents used here, including, but not limited to, the Request for Proposals or Contract Agreements. In addition, the contractor agrees to indemnify and hold harmless the Town of Lebanon and Lebanon Public Schools and each of

their respective members, employees, officers and agents from and against any claims, demands, losses, costs or liabilities for personal injury or property damage or any other loss which may result from the contractor's performance or lack of performance of the Contract. Such "losses" shall include all reasonable attorney's fees and costs incurred in the representation of Lebanon Public Schools, or any of their respective members, officers, employees, sub-committees of Lebanon Public Schools or agents in any suit or claim arising from the contractor's performance or lack of performance of the Contract or arising from the enforcement of this provision.

REJECTION OF BIDS

The Town reserves the right to reject any or all Bids, for any reason it deems advisable, and to award Contract or Contracts to any of the Bidders, regardless of amount of Bid. If the Contract is awarded, it will be awarded to the lowest responsible and eligible Bidder (or Bidders) possessing skill, ability and integrity necessary for faithful performance of work.

AWARD OF CONTRACTS

If the Contract is awarded, Town will give successful Bidder a Notice of Award within fifteen after the day of Bid opening. The successful Bidder shall then execute and deliver, within ten (10) days after notification of the award, three (3) executed Agreements in the form provided by the Town.

SPECIFICATIONS

FUEL OIL

The fuel oil described herein shall be suitable for heating schools and public buildings and shall conform to the requirements of ASTM D396 of the latest revision. In addition, the fuel shall be free of any undesirable substances in quantities sufficient to cause damage to or improper operation of the burners.

DIESEL

Diesel fuel must be suitable for the proper operation of internal combustion engines. The various characteristics required must conform to all applicable federal and state regulations. The diesel fuel herein specified shall be hydrocarbon oils, free from acid, grit, salt water and fibrous or other foreign matter, and shall conform to the requirements of ASTM D975 of latest revision. The awarded vendor(s) shall be responsible for ensuring the cold weather, trouble-free operation of equipment/vehicles. The addition of cold-flow additives, in accordance with industry standards, will therefore be required to meet such blending requirements at no additional cost. It should be noted that when available, usage estimates for "winterized" product have been added.

GASOLINE

Specifications for mid-grade gasoline shall conform in all respects to ASTM D4814 of latest revision. For mid-grade no-lead gasoline, the octane rating shall be no less than 89. All gasoline must be Reformulated Gasoline in compliance with both Federal Standards as developed by the Environmental Protection Agency, and all applicable sections of the Connecticut General Statutes.

ESTIMATED QUANTITIES

The facility locations, address, product type and estimated allocation to be delivered for the contract period are provided in the table below.

Location	Facility Address	Product	Estimated Allocation (Gallons)
Department of Public Works	937 Trumbull Highway	Diesel Fuel	50,000
Department of Public Works	937 Trumbull Highway	Mid-Grade Gasoline	6,000
Department of Public Works	937 Trumbull Highway	Fuel Oil	2,000
Fire Safety Complex (500 Tank) and (1,000 Tank)	23 Goshen Hill Road	Fuel Oil	5,000
Jonathan Trumbull Jr. Museum	780 Trumbull Highway	Fuel Oil	1,000
Board of Education Elementary School Middle School High School	479 Exeter Road 891 Exeter Road 917 Exeter Road	Fuel Oil	80,000

The Bidder shall submit unit pricing based on the Total Estimated Allocation provided in the table below. The Town will be granted a **+0% variance** in allocation overage for the delivery period specified and a **-5%** for gallons not consumed.

Product	Total Estimated Allocation (Gallons)
Fuel Oil	88,000
Diesel Fuel	50,000
Mid-Grade Gasoline	6,000

DELIVERY

Bidder agrees to prepare and submit an anticipated automatic delivery schedule to the Town for each fuel type and facility for review and approval prior to execution of the contract. For the duration of the contract the bidder shall monitor delivery schedules and fuel quantities and adjust the schedule as necessary. Further, Bidder agrees to make requested deliveries within 48-hours following notification that fuel is needed.

If, as a result of a Bidder's failure to deliver in accordance with the 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 results, the vendor agrees to compensate the Town for such damages. Restitution will be required should: damage result from freezing (due to a lack of heat) or should the Town incur additional costs from purchasing heating oil or diesel from an emergency source.

If the Town should either require a same day delivery, or requests a delivery scheduled outside of our normal working hours, the Bidder reserves the right to add a surcharge for the cost of providing an emergency delivery if one is requested.

Bidder shall provide monthly reports of deliveries by location, gallons delivered and price.

PAYMENT PROCEDURES

Payment terms are net 30 days. If payments are received later than 30 days from the date of delivery, finance charges may be assessed at a rate of 1% per month plus collection fees if necessary. In the event payment is not received from the Town and Board of Education in accordance with the Terms provided herein, payment in full of any obligations of Buyer to Seller shall be given by Buyer before further deliveries are made. The Town of Lebanon hereunder shall give Seller upon requesting advance payment or security satisfactory to Seller if payments are not made within the specified terms listed above and Seller may withhold deliveries until such payment or security is received.

TAXES

The Town of Lebanon is exempt from the payment of any sales, excise or federal transportation taxes. The bid prices must be exclusive of taxes. Currently, the following taxes are applicable to purchases by municipalities.

- a. **NORA** (National Oilheat Research Alliance) Assessment of **\$0.0020** cents per gallon applies to purchases of fuel oil used for heating.
- b. **LUST** tax (Leaking Underground Storage Tank) at **\$0.0010** cents per gallon and the **SPILL RECOVERY FEE OF \$0.0019** both apply to #2 Heating Oil, Diesel Fuel, and Gasoline.
- c. **CT Gross Receipt Tax**, currently only applicable on gasoline, is at an effective rate of **8.814%** of the total sale.

FEES

The Town agrees to pay Bidder the price established above for the indicated delivery location for all products up to the Total Estimated Allocation amount.

If gallons actually purchased for any fuel product exceed 100% of gallons for that same product allocated for the Town, the Bidder reserves the right to bill the excess quantities at the stated Differential Price per gallon plus the New Haven average quotation for Reseller Rack Prices as published daily in OPIS for the date of delivery.

If gallons actually purchased for any fuel product are less than **95%** of gallons for that same product allocated for the Town, the Bidder reserves the right to offer one or all of the following options. The Town reserves the right to accept or reject any and all options.

- a. Extend the fixed price contract at the same terms and conditions until the actual gallons used are at least 95% of the total gallons allocated.
- b. Liquidate the remaining fuel quantities up to 95% of the original contract amount at the stated Differential Price per gallon plus the New Haven average quotation for Reseller Rack Prices as published daily in OPIS for the date of delivery. Should market prices be lower than the original contract unit price(s) at the time of liquidation, the Town of Lebanon shall pay the Bidder the difference (if any) between the value of the original contract and the liquidated fuel as applicable to unallocated gallons up to 95%.
- c. Terminate the contract without additional fees.

BID PROPOSAL

Bidder agrees to the Terms and Conditions listed herein, and proposes to sell to the Town of Lebanon the following fuel products and quantities during the Period starting on July 1, 2016 and ending June 30, 2017 at the proposed unit cost per gallon specified below.

All prices bid must be on the basis of F.O.B. delivery point, unloaded inside, unless otherwise indicated in the proposal. Prices bid shall apply throughout the term of the contract and will be construed as all-inclusive.

Product	Estimated Allocation (Gallons)	Proposed Unit Cost per Gallon (Exclusive of applicable taxes)
Fuel Oil	88,000	
Diesel Fuel	50,000	
Mid-Grade Gasoline	6,000	

If gallons actually purchased for any fuel product exceed 100% of gallons for that same product allocated for the Town, or if gallons actually purchased for any fuel product are less than **95%** of gallons for that same product allocated for the Town, the Bidder reserves the right to add a Differential Price per gallon to the New Haven average quotation for Reseller Rack Prices as published daily in OPIS for the date of delivery or liquidation. The Bidder proposes a Differential Price per gallon as specified below.

Proposed Differential Price = _____ **per gallon**

If the Town should either require a same day delivery, or requests a delivery scheduled outside of our normal working hours, the Bidder proposes the surcharge specified below for the cost of providing an emergency delivery if one is requested.

Emergency Delivery Surcharge = _____ **per delivery**

Submitted by: _____ **Phone:** _____
[Please Print]

Company Name: _____
[Please Print]

Company Address: _____

Signature: _____ **Date:** _____

Telephone: _____ **Email Address:** _____