



RFP 17-01

FUEL SERVICES

Request for Proposal

RFP 17-01 Fuel Services

Return Bid to: Purchasing Department
City of Kingsville
400 W. King Ave
Kingsville, Texas 78363

INSTRUCTIONS TO BIDDERS

1. **Proposals are due in Purchasing Department no later than 1:30 p.m. on Tuesday, October 18, 2016.** The sealed envelope containing the completed bid should be marked legibly on the outside with the bid number and the description of the item to be bid as shown on the cover sheet of this Invitation to Bid. If submitting your bid by express mail, please place the bid in a separate sealed envelope inside the carrier's envelope.
2. The bidder shall sign and date his bid where shown in the signature block. The person signing the bid must have the authority to bind the firm in a contract. Bids which are not signed where indicated may be rejected.
3. All bids must be received at the Purchasing Department located at 400 W. King Ave., Kingsville, Texas 78363, by the deadline shown on the cover sheet of this Invitation to Bid. Bids received after the deadline shall be considered void and unacceptable. The City of Kingsville is not responsible for lateness or non-delivery of mail, carrier, etc. The proposal will be date/time stamped in the Purchasing Department when received and this will be considered to be the official time of receipt.
4. Bids must be submitted on the "Specifications and Bid Forms" included for that purpose in this Invitation to Bid.
5. **Facsimile or internet transmittals *will not* be accepted.**
6. The City of Kingsville, Texas, reserves the right to reject any or all products and/or services covered in this Invitation to Bid and to waive informalities or defects in bids or to accept such bids as it shall deem to be in the best interests of the City of Kingsville.
7. Proposals cannot be altered or amended after submission deadline. Any interlineation, alteration or erasure made before opening time must be initialed by

the signer of the bid, guaranteeing authenticity.

8. A proposal may not be withdrawn or canceled by the bidder without the permission of the City for a period of ninety (90) days following the date designated for the receipt of bids, and bidder so agrees upon submittal of his bid.
9. **The City of Kingsville is exempt by law from payment of Texas Sales Tax and Federal Excise Tax.**
10. All delivery and freight charges (FOB City of Kingsville designated location) are to be included in the bid price.
11. All bids meeting the intent of this Invitation to Bid will be considered for award. Bidders taking exception to specifications, or offering substitutions, shall state these exceptions in the section provided on the Bid Form or by attachments as part of the bid. The absence of such a list shall indicate that the bidder has not taken exceptions, and the City shall hold the bidder responsible to perform in strict accordance with the specifications of this invitation. The City of Kingsville reserves the right to accept any, all, or none of the exception(s)/substitution(s) deemed to be in the best interest of the City.
12. Any reference to model/make/manufacture used in bid specifications is descriptive, not restrictive. It is used to indicate the type and quality desired. Bids on items of like quality will be considered unless indicated by stating no substitutions allowed.
13. Any interpretations, corrections or changes to this Invitation to Bid and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the City of Kingsville Director of Purchasing. Addenda will be sent to all who are known to have received a copy of this Invitation to Bid. Bidders shall acknowledge receipt of all addenda on the sealed envelope containing their bid.
14. Bid must comply with all applicable federal, state, county and local laws concerning these types of goods and services.
15. Design, strength and quality of materials must conform to the highest standards of manufacturing practice.
16. Bidders must supply with their bid, a list of at least three (3) references where like goods have been supplied by their firm. Include name of firm, address, telephone number and name of representative. Failure to provide this information may result in rejection of bid.
17. The apparent silence of these specifications as to any detail or to the apparent omission of a detailed description concerning any point shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.
18. Section 176.006 of the Texas Local Government Code requires a bidder/vendor to file a conflict of interest questionnaire if the vendor has a business relationship with the City and has:
 - (a) an employment or other business relationship with an officer or an officer's

- family member that results in that person receiving taxable income that is more than \$2,500 in the preceding twelve months; or
- (b) has given an officer or an officer's family member one or more gifts totaling more than \$250 in the preceding twelve months.

A vendor/bidder is required to file a questionnaire not later than the seventh business day after the later of the following:

- (a) the date the vendor begins discussions or negotiations to enter into a contract with the City or submits an application or response to a bid proposal; or
- (b) the date the vendor becomes aware of a relationship or gives a gift to an officer or officer's family member.

State law requires that a vendor file an updated questionnaire with the City Secretary's office annually, before September 1st, and or not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate

- 19. *The bid opening is scheduled to be held in the Purchasing Department located at 400 W. King Ave, Kingsville, Texas at 1:30 p.m., Tuesday, October 18, 2016. Each bidder is invited to attend.***

The City of Kingsville reserves the right to award bids on a lump sum or unit price basis, whichever is in the best interest of the City. The City of Kingsville reserves the right to split the bid between bidders on individual prices.

The City of Kingsville is aware of the time and effort you expend in preparing and submitting bids to the City. Please let us know of any bid requirement causing you difficulty in responding to our Invitation to Bid. We want to facilitate your participation so that all responsible vendors can compete for the City's business. Awards should be made approximately two to six weeks after the opening date. To obtain bid results, please contact us.

If you have any questions regarding this bid, please contact the City of Kingsville Purchasing Department at (361) 595-8025.

The intent of this bid is to establish a contract for the purchase of on-site fuel (gasoline and diesel) services for the City of Kingsville, Texas on an as-needed basis. The contract will commence in October 2016 and continue through September 30, 2017. The City reserves the right to extend the contract for two (2) additional two-year periods if agreeable by both parties.

During this contract period, prices may be adjusted based on market values. The price per gallon for each fuel type shall be based on the actual unbranded rack cost as detailed in the daily Oil Price Information Service (OPIS) report for that day's delivery.

The City of Kingsville currently has three (3) 6,000 gal underground tanks (two (2) Diesel tanks and one (1) gasoline tank) located at the Public Works yard, 1300 E Corral, Kingsville, Texas, thirteen (13) generators and several small tanks located throughout the City. Information for each tank and generator is shown in **Exhibit A**. The City reserves the right to add or delete locations as the City's inventory of tanks and generators changes. Estimated bulk usage at Public Works is approximately 100,000 gallons per type of fuel per year. There is no guarantee of usage and it will vary monthly as well as annually.

All questions regarding this bid shall be in writing and should be directed to the City of Kingsville's Director of Purchasing by e-mail to dmason@cityofkingsville.com. Deadline for questions shall be October 11, 2016 at 12:00 P.M. CST.

Please note that this bid will be awarded on the basis of "best value". The award to the successful bidder will be determined by best value to the City of Kingsville as allowed by Chapter 252 of the Local Government Code. The following criteria will be considered when selecting a vendor:

1. Cost; 60%
2. Qualifications/Experience/References; 10%
3. Delivery Time; 10%
4. Quality of administrative process in place to support contract; 10%
5. Compliance with terms and specifications of the Invitation to Bid; 10%

A successful bidder must meet the following minimum requirements:

1. Have adequate financial resources, or the ability to obtain such resources as required;
2. Have proof of financial responsibility in the event of a hazardous spill (as required by the TCEQ/EPA);
3. Have a satisfactory record of performance;
4. Have a satisfactory record of integrity and ethics; and
5. Be otherwise qualified and eligible to receive an award.

The City of Kingsville requests representation sufficient to determine the bidder's ability to meet these minimum standards listed above.

SPECIFICATIONS

	<i>Can you Comply?</i>	
	<i>YES</i>	<i>NO</i>
<i>FUEL</i>		
All fuel delivered under this contract shall be high quality volatile hydrocarbon fuels free from any foreign substances or water, or any alcohol additives or extenders which may damage vehicles or equipment or contaminate storage tanks. All fuels sold under this contract shall be of the same quality or better than that which is available to the general public through retail outlets.		
<i>FUEL CHARGES</i>		
Prices quoted shall include all costs associated for delivering and dispensing motor fuels to on premise sites. The price per gallon to be charged to the City shall be determined in the following manner: 1. Price per gallon. The price per gallon for each fuel type shall		

<p>be based on the actual unbranded rack cost as detailed in the daily Oil Price Information Service (OPIS) report for that day's delivery. (Vendor shall supply with each invoice a copy of the corresponding OPIS for each delivery.)</p> <p>2. Mark up. Vendor mark-up (price per gallon) for delivering fuel.</p> <p>3. Applicable taxes and Federal and State fees. The City is exempt from Federal and local motor fuel taxes.</p> <p>4. Service Fee. Any additional fees associate with delivering fuel.</p>		
FUEL REQUIREMENTS	YES	NO
<p>1. The successful bidder shall make compensation for change in temperature of fuel at loading at the time the fuel was unloaded into the transport and must show the correction and adjustment made in gallons delivered to each location using 60° F as the normal temperature reading. Delivery slips reflecting gross gallons temperature and adjusted gallons shall be available at time of delivery.</p>		
<p>2. All motor fuels shall meet or exceed federal and state specifications as determined by ASTM test methods.</p>		
<p>3. Extreme care shall be taken by the contractor to avoid fuel spills. The delivery vehicle shall be attended at all times during fuel off-loading. Any costs incurred as a result of fuel spills due to negligence on the part of the contractor, its agents or employees, or due to equipment malfunction shall be borne by the contractor.</p>		
PRODUCT SPECIFICATIONS	YES	NO
<p>Fuel to be supplied under this contract shall meet the following specifications:</p> <ul style="list-style-type: none"> • Regular Unleaded Gasoline: ASTM Designated D439 (most recent issue) with minimum octane rating of 87 (RtM/2 method). 		

<ul style="list-style-type: none"> • Grade 2-0 Diesel Fuel: ASTM Designated D975 (most recent issue) with a minimum cetane number of 40. • Texas Dyed Diesel Fuel: ASTM Designated D975 (most recent issue) with a minimum cetane number of 40. <p>There shall be no more than ten (10%) percent ethanol or five (5%) percent methanol mixture as allowed by Federal law. Bidder shall be able to certify that no additional alcohol has been added after they have taken receipt of the fuel from the terminal.</p>		
<i>INSURANCE REQUIREMENTS</i>	YES	NO
Successful bidder will be required to sign the attached sample “Service Agreement” and comply with all insurance requirements therein.		
<i>MATERIAL SAFETY DATA SHEETS</i>	YES	NO
Upon award, the successful bidder shall supply each participating entity a copy of all applicable Material Safety Data Sheets for the each fuel being delivered to the respective locations.		

BID FORM

All transport, loading and other fees shall be included in the prices set forth below. Please state mark-up or mark-down (indicate + or -) based on OPIS prices for the following:

Description	+ or - based on OPIS price per gallon	Taxes if Applicable
Regular unleaded gasoline as specified herein >5000 gal to Public Works (Bulk)		\$ _____ gallon
Grade 2-0 Diesel as specified herein >5000 gal to Public Works (Bulk)		\$ _____ gallon
Regular unleaded gasoline as specified herein < 5000 gal to various locations		\$ _____ gallon
Grade 2-0 Diesel as specified herein < 5000 gal to various locations		\$ _____ gallon
Texas <i>Dyed</i> Diesel <5000 gal to various locations		\$ _____ gallon

BID FORM PAGE 2

1. List additional fees associated with delivering fuel that are not listed above.

_____ \$ _____ per _____

_____ \$ _____ per _____

_____ \$ _____ per _____

2. State length of time necessary to deliver fuel once notified by the City. The fuel shall be ordered on an as-needed basis: _____

3. Principle location from which fuel will be delivered from: _____

4. Procedures for placing an order: _____

BID FORM PAGE 3

5. Procedure and timing of invoicing for a shipment: _____

8. Attach a typical analysis sheet for each type of fuel, based on actual test results, showing the properties of the fuels.

9. Provide an accurate experience record including the names, contact person, address, email address and telephone numbers of at least three (3) governmental entities who are currently using your company's fuel services. If no governmental entities are using your company for fuel services, please provide non-governmental sources.

Entity/Company Name & Address	Contact Person	Phone #	Email Address	# of Years

BID FORM PAGE 4

EXCEPTIONS TAKEN BY BIDDER

BIDDER INFORMATION

Company Name	
Mailing Address	
Physical Address	
City, State, Zip Code	
Telephone Number	
Fax Number	
Email Address	
Tax Identification Number	
<i>Signature of Authorized Agent</i>	
Printed Name of Authorized Agent	
Title	
Date	



CREDIT CHECK AUTHORIZATION

The City is required to determine whether a bidder who may be awarded a contract is financially responsible. The City may run a credit check on the potential contractor before award of the contract. Please complete the following information and submit with your bid.

Company Name: _____

Street Address: _____

Mailing Address: _____

Tax Identification Number: _____

I hereby authorize the City of Kingsville or credit bureau or other investigative agency employed by the City of Kingsville to investigate my credit history and financial responsibility.

Authorized signature: _____

Title: _____

Date: _____

**SAMPLE
CITY OF KINGSVILLE
SERVICES AGREEMENT**

STATE OF TEXAS

' **Description of Services:**

COUNTY OF KLEBERG

'

Date: _____

This Agreement is made and entered into by and between _____, ("Company") and the City of Kingsville, Texas ("City"), a Texas home rule City, acting by and through its duly authorized agent, Jesús Garza, City Manager, who agree as follows:

1. SCOPE OF AGREEMENT

This Agreement incorporates the terms of Company's Proposal dated _____, attached hereto and incorporated herein for all purposes as Attachment "A." In the event of a conflict among the terms of this Agreement and the attachment, the term most favorable to the City, in City's sole discretion, shall control.

2. TERM OF AGREEMENT; TERMINATION

2.1. This Agreement shall be effective upon proper execution by the City. It shall be effective from _____, through _____ and renewable annually. The City reserves the right to withdraw from the Agreement immediately if its governing body fails to appropriate funds necessary for the satisfaction of its contractual obligations.

2.2 The City reserves the right to enforce the performance of this Agreement in any manner prescribed by law or deemed to be in the best interest of the City in the event of breach or default of any provision of this Agreement, including immediate termination of this Agreement.

3. ENTIRE AGREEMENT

This Agreement consists of the contract agreement, the Invitation to Bid, and the Bid submitted by the Company.

4. ASSIGNMENT

Company shall not assign or subcontract its obligations under this Agreement without the prior written consent of the City.

5. INDEMNITY

It is agreed for all purposes hereunder, that Company is and shall be an independent contractor and shall not, with respect to their acts or omissions be deemed an agent or employee of City.

The indemnity obligations herein shall survive the termination of the contract for any reason and shall survive the completion of the work on the project.

Company agrees to indemnify and hold harmless and defend City, its officers, agents and employees, from and against liability for any and all claims, liens, suits, demands and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and expenses, including court costs, attorneys' fees, expert witnesses' fees, trial consultants' fees, and other reasonable costs arising out of or resulting from Company's work and/or activities conducted in connection with or incidental to this Contract and from any liability arising out of or resulting from the intentional acts or negligence or breach of any obligation under this Agreement, including all such causes of action based upon the negligent or intentional acts or omissions of Company, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons. Company shall procure contractual liability insurance covering its obligations in this section.

Company further agrees that it shall at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, agents, employees, subcontractors, licensees, invitees and other persons, as well as their property, while in the vicinity where the improvements are being made. It is expressly understood and agreed that City shall not be liable or responsible for the negligence of Company, including but not limited to its officers, agents, employees, subcontractors, licensees, invitees, and other persons.

It is further agreed with respect to the above indemnity, that City and Company will provide the other prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affects or might affect Company or City, and City shall have the right to compromise and defend the same to the extent of its own interests.

6. INSURANCE

6.1 AMOUNTS OF INSURANCE

Company agrees to provide and to maintain the following types and amounts of insurance, for the term of this Contract:

<u>TYPE</u>	<u>AMOUNT</u>
(a) Workers Compensation (where required by State law) Employer's Liability	Statutory \$100,000 per occurrence
(b) Commercial (Public) Liability, including but not limited to:	
1. Premises/Operations	Combined Single Limit for
2. Independent Contractors	Bodily Injury and
3. Personal Injury	Property Damage
4. Products/Completed Operations	
5. Contractual Liability (insuring above indemnity provisions)	\$1,000,000 per occurrence \$2,000,000 aggregate
(c) Comprehensive Automobile Liability - to include coverage for:	
1. Owned/Leased Automobiles	Combined Single Limit for
2. Non-owned Automobiles	Bodily Injury and Property
3. Hired Cars	Damage: \$1,000,000 per
occurrence	

6.2 OTHER INSURANCE REQUIREMENTS

Company understands that it is its sole responsibility to provide the required Certificates and that failure to timely comply with the requirements of this article shall be a cause for termination of this Contract.

Insurance required herein shall be issued by a company or companies of sound and adequate financial responsibility and authorized to do business in the State of Texas. All policies shall be subject to examination and approval by the City Attorney's Office for their adequacy as to form, content, form of protection, and providing company.

Insurance required by this Contract for the City as additional insured shall be primary insurance and not contributing with any other insurance available to City, under any third party liability policy.

Company further agrees that with respect to the above required liability insurances, the City shall:

- (a) ***Be named as additional insured.***
- (b) Be provided with a waiver of subrogation, in favor of the City.
- (c) Be provided with **30 days** advance written notice of cancellation, nonrenewal, or reduction in coverage (all "endeavor to" and similar language of reservation stricken from cancellation section of certificate).
- (d) Prior to execution of this Agreement, be provided through the office of the City Risk Management with either their original Certificate of Insurance of their insurance policy evidencing the above requirements.

The insurance requirements set out in this section are independent from all other obligations of Company under this Agreement and apply whether or not required by any other provision of this Agreement.

7. PAYMENT AND PERFORMANCE

Payment for services described in this agreement are to be made as follows: Payment is due timely according to the Texas Prompt Payment Act, Chapter 2251 of the Texas Government Code, or as subsequently amended.

8. VENUE; RECOVERY OF FEES; DISPUTE RESOLUTION; CHOICE OF LAW

Any suit or claim or cause of action regarding this Agreement shall be brought in Kleberg County, Texas, as the choice of venue and jurisdiction and site of performance by the parties. The prevailing party in such an action may recover reasonable costs, including costs of court, attorney's fees, expert witnesses' fees, and trial consultants' fee. The parties are encouraged to enter into mediation should a dispute arise during the term of this Agreement, the costs being shared equally by the parties. The parties further agree that the law of the State of Texas shall govern any interpretation of the terms of this Agreement.

9. ETHICAL CERTIFICATION

Company certifies that neither it nor any of its agents or employees have or will offer or accept gifts or anything of value, or enter into any business arrangement, with any employee, official, or agent of the City.

EXHIBIT A

Bulk Tank Information

Tank Location	Current Fuel Type	Tank Type	Tank Size	Approximate Annual Usage
<u>Diesel #1</u> 1300 E Corral	Diesel	In Ground	6000 gallons	100,000
<u>Diesel #2</u> 1300 E Corral	Diesel	In Ground	6000 gallons	
<u>Gasoline #1</u> 1300 E Corral	Unleaded	In Ground	6000 gallons	100,000

Small Tank Information

Tank Location	Current Fuel Type	Tank Type	Tank Size	Approximate Usage
<u>Landfill #1</u> 348 E County Rd 2130	Dyed Diesel	Above Ground	3000 gallons	30,000
<u>Landfill #2</u> 348 E County Rd 2130	Unleaded	Above Ground	500 gallons	3,000
<u>Golf Course Tank #1</u> Golf Course Rd	Unleaded	Above Ground	500 gallons	3,600
<u>Golf Course Tank #2</u> Golf Course Rd	Dyed Diesel	Above Ground	500 gallons	2,400
<u>Parks Department</u> 501 E. Escondido Rd	Gasoline	Above Ground	2000 gallons	5,000

Generator Information

Generator Location	Fuel	Make	Tank Size
<u>Water Well # 19</u> 315 N. 6th	Dyed Diesel	Kohler	472 gallons
<u>Water Well # 20</u> 1116 E General Cavazos	Dyed Diesel	Kohler	472 gallons
<u>Water Well # 21</u> 1004 S 3rd	Dyed Diesel	Kohler	472 gallons
<u>Water Well # 22</u> 133 W Ave C	Dyed Diesel	Kohler	472 gallons
<u>Water Well # 23</u> 2602 S 6th	Dyed Diesel	Kohler	472 gallons
<u>Water Well # 24</u> 830 E Kenedy	Dyed Diesel	Kohler	472 gallons
<u>Police Department</u> 1700 E King Ave	Dyed Diesel	Cat	500 Gallons
<u>City Hall</u> 400 W King Ave	Dyed Diesel	Kohler	500 Gallons
<u>Fire Station #1</u> 119 N. 10th	Dyed Diesel	Kohler	347 Gallons
<u>Wastewater 3mgd Plant</u> 2801 E Santa Gertrudis	Dyed Diesel	Kohler	1595 gallons
<u>Wastewater 1mgd Plant</u> FM 1717	Dyed Diesel	Kohler	682 gallons
<u>Lee Street Lift Station</u>	Dyed Diesel	Kohler	682 gallons
<u>FM 1717 Lift Station</u>	Dyed Diesel	Kohler	189 gallons

Please note: The City may add or remove generators or small tanks at any time during the contract period.