

Action Memorandum No. 2017-15

Subject:

Authorize the City Manager to enter into a contract with Bristol Alliance Fuels for the City's FY18 petroleum needs.

City Manager: Recommend Approval

Signature: 

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- RFP/ITB 2017-09 Furnish Petroleum Fuels for FY18
- RFP/ITB 2017-09 Addendum 1
- RFP/ITB 2017-09 Bid Sheet Summary
- RFP/ITB 2017-09 Notice of Intent to Award

Summary Statement:

The City of Dillingham, Alaska, solicited bids to furnish petroleum fuels for city needs for the FY18 fiscal year.

The invitation to bid was issued on July 17, 2017. One addendum was issued to include the City's propane needs as part of the bid package.

Bids closed on August 18, 2017 at 2:00 PM.

Three bids were received, from Bristol Alliance, Vitus Terminals and Delta Western.

Bristol Alliance Fuels submitted the low bid at \$318,078.75

The contract amount for FY17 was \$244,025, awarded to Bristol Alliance Fuels.


To clarify the increase in contract amount, it is important to note that this year the City is purchasing 5,000 gallons more of both diesel #2 and unleaded gasoline for a total volume increase of 10,000 gallons. In addition to purchasing a larger quantity of fuel and receiving bids on propane; the prices of diesel and gasoline have increased since FY17 as follows:

- Diesel #1 - \$0.32/gallon
- Diesel #2 - \$0.52/gallon
- Unleaded Gasoline - \$0.46/gallon

Action Memorandum No. 2017-15

Summary Statement continued:


PASSED and APPROVED by a duly constituted quorum of the Dillingham City Council
on 9/7/17.



Mayor

ATTEST:

[SEAL]



City Clerk

Route to	Department Head	Date
X	Finance Director	
X	Public Works Director	
X	Planning Director	
X	City Clerk	

City of Dillingham
Fiscal Note

Agenda Date: September 7, 2017

Contract w/ Bristol Alliance Fuels for the purchase of fuel for the period 10/2/17-10/1/18.

ORIGINATOR: Don Moore

FISCAL ACTION (TO BE COMPLETED BY FINANCE) AMOUNT REQUESTED: \$318,078 FROM ACCOUNT 2200 7385 30 81 \$257,580 1000 7385 30 32 \$60,498	FISCAL IMPACT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO FUNDING SOURCE General & Special Revenue Funds Project Fuel for the period 10/2/17-10/1/18
TO ACCOUNT:	VERIFIED BY: <u>Navin Bissram</u> Date: <u>8/30/2017</u>

EXPENDITURES

OPERATING	FY18			
Personnel				
Fringe Benefits				
Gravel				
Road Maintenance Products				
Land/Buildings				
Fuel	\$318,078			
TOTAL OPERATING	\$ 318,078	\$ -	\$ -	\$ -

CAPITAL				
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REVENUE				
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FUNDING

General & Special Rev. Funds	\$318,078			
State/Federal Funds				
Other				
TOTAL FUNDING	\$ 318,078	\$ -	\$ -	\$ -

POSITIONS

Full-Time				
Part-Time				
Temporary				

ANALYSIS: (Attach a separate page if necessary)

See Action Memorandum 2017-15

PREPARED BY: Navin Bissram

August 30, 2017

DEPARTMENT: Finance Director



INVITATION TO BID

ITB 2017-09 Furnish Petroleum Fuels FY18

The City of Dillingham is soliciting sealed bids for furnishing and delivering petroleum fuels to various City facilities for the period October 2, 2017 through October 1, 2018. The selected firm or individual will enter into a term contract for a period of one year.

Inquiries should be directed to:

Public Works Director
City of Dillingham
PO Box 889
Dillingham, AK 99576
907 842-4598
Email: publicworks@dillinghamak.us

SPECIFICATIONS

Submittal Requirements and Information

To be considered, please submit a completed copy of the following documents which are part of this bid proposal packet:

- Attachment A, Company Information
- Attachment B, Petroleum Fuel Bid
- Attachment C, Locations and Fuel Delivery Information

Please submit them to the address below on or before the deadline no later than 2:00 p.m. on Tuesday, August 15, 2017, and mark the envelope to identify the project:

ITB 2017-09 Furnish Petroleum Fuels FY18

Packages should indicate the company's name, contact person, and phone number.

Delivery instructions – mail or hand deliver in a sealed envelope to:

City Planner's Office
City of Dillingham
PO Box 889
Dillingham, AK 99576

Electronic and faxed proposals will not be accepted.

Notice of Intent to Award

The City shall notify all bidders of its intent to award. A contract to award will be confirmed at the September 7, 2017 Regular Council meeting.

Scope of Work

Contract will be awarded to the Contractor with the lowest fuel price for either diesel or gasoline. The contract can be written for all the City's fuel needs or a portion of the proposal.

1. Contractor agrees to deliver all the City's fuel:

<u>Description</u>	<u>Estimated Gallons</u>
No. 1 Heating/Diesel	75,000
No. 2 Heating/Diesel	30,000
Unleaded Gasoline	20,000

Refer to Attachment C for the list of facilities receiving petroleum fuels.

2. Petroleum fuel will be delivered to the list of City of Dillingham facilities under one of the following two conditions:
 - "Keep Full" - the petroleum contractor shall be responsible for monitoring, at least every two weeks, the fuel levels in the storage tank to ensure a constant supply.
 - Upon an oral or written request from City personnel, the petroleum contractor shall furnish and deliver the requested fuel within four hours (4) of said request.
3. Bids may be provided for either No.1 & 2 Heating/Diesel and/or Unleaded Gasoline fuel types. Contract may be awarded to the lowest bid for diesel or gasoline.
4. All fuel tickets must include the date of delivery and be signed by City Personnel.

Conditions of Offering and Acceptance

This is a Request for Proposal/Bid only and is not a guarantee the City of Dillingham will purchase any or all of the products or services indicated in this invitation.

The City of Dillingham reserves the right to reject or accept any and all bids, to waive irregularities or informalities in the procurement process, and to give particular attention to the qualifications of the proposer.

The City reserves the right to revise or clarify the Request for Proposal/Bid, respond to questions, and/or extend or shorten the due date of proposals.

The City retains the right to cancel the Request for Proposal/Bid if the City determines it is in their best interest. Any cost incurred by proposers for the preparation and submittal of the bid is the sole responsibility of the bidder.

A bid may be corrected or withdrawn by a written request received prior to the deadline for receipt of bid proposals.

All bid proposals and other material submitted become City property and may be returned only at their option.

The City assumes no responsibility or liability for the transmission, delay, or delivery of bid proposals by either public or private carriers.

Any and all media announcements pertaining to this ITB require the City's prior written approval.

The bidder agrees to allow the City at least 30 days from the bid date to enter into a contract with the selected bidder for the price offered by the bidder.

The City intends to award a contract, subject to negotiation of a satisfactory agreement based upon the City's standard professional services contract form.

Gasoline will be dispensed from the bidder's pump. Authorized City personnel will "self serve" into City vehicles and equipment requiring gasoline.

Contractor shall in performance of a contract, comply with all applicable federal, state and local laws, ordinance, orders, rules and regulations applicable to its performance.

Contractor must be in compliance with Dillingham Municipal Code 4.20.240, Tax Delinquent List

Attachment A. Company Information

**City of Dillingham
PETROLEUM FUEL BID – FY18**

Contractor's Name _____ Title _____
Authorized Agent

d.b.a. Company Name _____

City Business License Number# _____

Alaska State Business License Number# _____

Signature _____ Date _____
Authorized Agent Above

Mailing Address _____

Email Address _____

Phone Contact _____

Attachment B. Petroleum Fuel Bid

Furnish Petroleum Fuels – Period Covering October 2, 2017 through October 1, 2018.

The furnishing and delivery of petroleum products shall be in accordance with the Invitation to Bid and Specifications for the term of the contract. The price per gallon shall include the entire supplier costs associated with providing petroleum fuels, storage, and delivery. **Bids may be provided for either No.1 & 2 Heating/Diesel and/or Unleaded Gasoline fuel types. Contract may be awarded to the lowest bid for diesel or gasoline.**

This contract shall remain in effect from the date of execution through October 1, 2018.

Description	Estimated Quantity	Option A Fixed Price
No. 1 Diesel	75,000 gallons	\$ _____ per gallon \$ _____ Total
No 2 Diesel	30,000 gallons	\$ _____ per gallon \$ _____ Total
Unleaded Gasoline	20,000 gallons	\$ _____ per gallon \$ _____ Total
	Total Bid	\$ _____

Company _____ Date _____

Signature _____ Title _____

Attachment C. Locations and Fuel Delivery Information

TANK SITES

- | | | |
|--------------------------------|----------------------------------|----------------------------|
| #1 CITY HALL | #2 POLICE STATION | #3 FIRE STATION DOWNTOWN |
| #4 FIRE STATION LAKE ROAD | #5 FIRE STATION AIRPORT | #6 SENIOR CENTER |
| #7 CARLSON HOUSE | #8 LIBRARY | #9 DOCK SMALL OFFICE |
| #10 DOCK LARGE OFFICE | #11 HARBOR OFFICE/ANIMAL SHELTER | #12 HARBOR BATH HOUSE |
| #13 DOCK EQUIPMENT TANK | #14 DOCK EQUIPMENT TANK | #15 WWTP LAGOONS |
| #16 WATER TREATMENT BLDG. | #17 GENERATOR WTP | #18 PUBLIC WORKS EQUIP. |
| #19 PUBLIC WORKS SHOP | #20 PUBLIC WORKS QUONSET | # 21 LANDFILL INCINERATOR |
| #22 LANDFILL OFFICE | # 23 LANDFILL EQUIPMENT | #24 COMM. SVC. INCINERATOR |
| #25 PUBLIC SAFETY VEHICLE FUEL | | |

Location: #1 City Hall Address: 141 Main Street Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: BI WEEKLY	Location: #2 Police Station Address: 404 D Street Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: BI WEEKLY
Location: #3 Fire Station Downtown Address: 511 D Street Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: BI WEEKLY	Location: #4 Fire Station Lake Road Address: 1335 Aleknagik Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: BI WEEKLY
Location: #5 Fire Station Airport Address: 743 Airport Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: WEEKLY	Location: #6 Senior Center Address: 515 1 st Avenue Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: BIWEEKLY
Location: #7 Carlson House Address: 308 C Street Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: BIWEEKLY	Location: # 8 Library Address: 304 D Street Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: WEEKLY
Location: #9 Dock Small Office Address: 151 1 st Avenue Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: BIWEEKLY	Location: #10 Dock Large Office Address: 34 A Street Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: BIWEEKLY
Location: #11 Harbor Office/Animal Shelter Address: 240 Harbor Master Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: BIWEEKLY	Location: #12 Harbor Bath House Address: 240 Harbor Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: BIWEEKLY

Attachment C. Locations and Fuel Delivery Information (Continued)

<p>Location: #13 Dock Equipment Tank Address: 151 1st Street Fuel Type: #1 Heating (Diesel) Tank Size: 1500 Gallon Tank FILL CYCLE: WEEKLY (MAY – OCT)</p>	<p>Location: #14 Dock Equipment Tank Address: 151 1st Street Fuel Type Unleaded Gasoline Tank Size: 500 Gallon Tank FILL CYCLE: WEEKLY (MAY – OCT)</p>
<p>Location: #15 Waste Water Treatment Lagoons Address: 826 Tower Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: WEEKLY</p>	<p>Location: #16 Water Treatment Plant Address: 524 Central Ave Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: WEEKLY</p>
<p>Location: #17 Water Treatment Plant Generator Address: 524 Central Ave Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: BIWEEKLY</p>	<p>Location: #18 Public Works Equipment Address: 808 2nd Avenue Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1500 Gallon Tank FILL CYCLE: WEEKLY</p>
<p>Location: # 19 Public Works Shop Address: 810 2nd Avenue Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: WEEKLY</p>	<p>Location: #20 Public Works Quonset Bldg. Address: 808 2nd Avenue Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 1000 Gallon Tank FILL CYCLE: WEEKLY</p>
<p>Location: #21 Municipal Landfill Incinerator Address: Landfill Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: VARIES SEASONALLY</p>	<p>Location: #22 Municipal Landfill Transfer Shack Address: Landfill Rd Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 300 Gallon Tank FILL CYCLE: WEEKLY</p>
<p>Location: #23 Landfill Equipment Tank Address: Landfill Road Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 500 Gallon Tank FILL CYCLE: WEEKLY</p>	<p>Location: # 24 Comm-service Incinerator Tank Address: Landfill Road Fuel Type #1 Heating Oil – Winter #2 Heating Oil - Summer Tank Size: 300 Gallon Tank FILL CYCLE: BIWEEKLY</p>
<p>Location: # 25 Public Safety Fuel Depot Address: 404 D Street Fuel Type: Unleaded Gasoline Tank Size: 1500 Gallon Tank FILL CYCLE: WEEKLY</p>	<p>Other Buildings as the need arises following written notification from the City.</p>



INVITATION TO BID

ITB 2017-09 Furnish Petroleum Fuels FY18

Addendum #1 – Issued August 11, 2017

The City of Dillingham is soliciting sealed bids for furnishing and delivering petroleum fuels to various City facilities for the period October 2, 2017 through October 1, 2018.

We are amending the current ITB to include quotes for our liquid propane needs. Propane is delivered to the Senior Center and tanks are also filled at the pump, as needed, for both the Dock and Public Works crews. City staff has reviewed annual propane purchases for the Dock, Public Works and the Senior Center and estimates the following propane needs for the upcoming year:

Propane Delivered to the Senior Center	375 gallons
Propane at the Pump, as needed for Dock and Public Works	150 gallons

Publication of this addendum requires and extension of the bid due date. As such, the City will accept bids until 2:00 PM Friday, August 18, 2017, followed by the bid opening.

For questions, please contact Courtenay Carty, Planning Director at 907-842-3785 or via email: planner@dillinghamak.us

Attachment D. Liquid Propane Bid Sheet

This form is supplemental to Attachment B. Petroleum Fuels Bid Sheet

Furnish Petroleum Fuels – Period Covering October 2, 2017 through October 1, 2018.

The furnishing and delivery of petroleum products shall be in accordance with the Invitation to Bid and Specifications for the term of the contract. The price per gallon shall include the entire supplier costs associated with providing petroleum fuels, storage, and delivery. **Contract may be awarded to the lowest bid for diesel, gasoline, and/or propane.**

This contract shall remain in effect from the date of execution through October 1, 2018.

Description	Estimated Quantity	Option A Fixed Price
Propane Delivered to the Senior Center	375 gallons	\$ _____ per gallon \$ _____ Total
Propane Filled at the Pump	150 gallons	\$ _____ per gallon \$ _____ Total
	Total Bid	\$ _____

Company _____ Date _____

Signature _____ Title _____

RFP 2017-09 Furnish Petroleum Fuels for FY18
 BID SCORING SHEET

Deadline for proposals is: 08/18/17 2:00 PM
 Date & Time Proposal Received

		8/15/2017 11:50	8/18/2017 12:45	8/18/2017 13:53
VENDOR NAME		Delta Western	Vitus Terminals	Bristol Alliance Fuels
Diesel # 1	75,000 gallons	\$2.6134 \$/gallon subtotal \$196,005.00	\$3.7900 \$284,250.00	\$2.3960 \$179,700.00
Diesel # 2	30,000 gallons	\$2.7948 \$/gallon subtotal \$83,844.00	\$3.7900 \$113,700.00	\$2.5960 \$77,880.00
	Unleaded Gasoline 20,000 gallons	\$3.1304 \$/gallon subtotal \$62,608.00	\$3.9500 \$79,000.00	\$2.8950 \$57,900.00
	Propane Delivered 375 gallons			\$4.9500 \$1,856.25
	Propane at the Pump 150 gallons			\$4.9500 \$742.50
Total Award		\$342,457.00	\$476,950.00	\$318,078.75

***PRIOR TO AWARD, VENDORS MUST PROVIDE PROOF OF LICENSING AND INSURANCE, AS OUTLINED IN RFP 2017-09

APPARENT LOW BIDDERS ARE HIGHLIGHTED IN ORANGE



NOTICE OF INTENT TO AWARD

ISSUE DATE: August 18, 2017
RFP NUMBER AND TITLE: ITB 2017-09 Furnish Petroleum Fuels for FY18
RFP DEADLINE: August 18, 2017 at 2:00 PM
BIDDERS OF RECORD INCLUDE:

-Vitus Terminals -Bristol Alliance Fuels -Delta Western

Based on the criteria established in the Request for Proposal (RFP), the City of Dillingham hereby provides notice of its intent to award the contract to:

Bristol Alliance Fuels, LLC
PO Box 1529
Dillingham, AK 99576

Any bidder who believes the contract has been improperly awarded may file a protest with the City Clerk, Janice Williams, within 5 days from the date of this notice and appear in person before the City Council according to the provision of the Dillingham Municipal Code Section 4.30.100 E.

The entire Dillingham Municipal Code can be found on the City's website.

Prior to issuance of a Notice to Proceed, the successful bidder must provide the licensing and insurance documents as outlined in RFP 2017-08, to the City of Dillingham prior to C.O.B on August 25, 2017.

The successful vendor is instructed not to begin work, purchase materials, or enter into subcontracts relating to the project until both the recipient and the City have signed the contract and a Notice to Proceed has been issued. AS 36.30.365.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald L. Moore", is written over the typed name.

Donald L. Moore
City Manager
(907) 842-5148