

RESOLUTION 2014 - 82



**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SUNNYSIDE, WASHINGTON, ACCEPTING
BID AND AUTHORIZING AWARD OF
CONTRACT FOR FUEL SUPPLIES
(Connell Oil, Inc.)**

WHEREAS, the City of Sunnyside has solicited sealed bids for provision of fuel supplies for the City of Sunnyside; and

WHEREAS, the lowest responsive bid for such supplies was submitted by Connell Oil, Inc., including analysis of wholesale price of fuel, state taxes and profit per-gallon markup; and

WHEREAS, the City Council finds and determines that acceptance of such bid and award of contract to Connell Oil, Inc. is in the best interests of residents of the City of Sunnyside and will promote the general health, safety and welfare.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYSIDE, WASHINGTON, as follows:

Section 1. That the bid for fuel supplies submitted by Connell Oil, Inc. in the amounts and pursuant to the plans and specifications for such supply attached hereto as Exhibit "A", is hereby accepted; and the City Manager is hereby authorized to execute any contract and other documents necessary to accomplish such acceptance and award.

Section 2. This Resolution shall be effective upon passage, approval and signatures hereon in accordance with law.

PASSED this 8th day of December, 2014.



JAMES A. RESTUCCI, MAYOR

ATTEST:



DELILAH SAENZ, CMC, CITY CLERK

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to be "L. J. Kerr", written over a horizontal line.

KERR LAW GROUP, PLLC
Attorneys for the City of Sunnyside

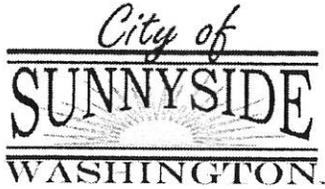


EXHIBIT "A"

Department of Public Works
818 East Edison Avenue
Sunnyside, WA 98944
Office: 509-837-5206 • Fax: 509-837-3268

CITY OF SUNNYSIDE

CALL FOR FUEL BIDS

NOTICE IS HEREBY GIVEN that the City of Sunnyside, Washington, will receive sealed bids at the City of Sunnyside Public Works Department, 818 East Edison Avenue, Sunnyside, Washington 98944, until **3:00 p.m. on November 21, 2014** for a card controlled fuel purchase system, at which time they will be opened and read aloud.

The City uses approximately 50,000 gallons of gasoline and diesel fuel per year. The bids shall be for a five (5) year term beginning January 1, 2015 through December 31, 2019. Either party may terminate this contract upon ninety (90) days written notice to the other.

Bids must comply with the "Instruction to Bidders" and be submitted in envelopes marked "Fuel Bid". Bid packets are available from the Public Works Department at the above address.

The City of Sunnyside reserves the right to accept or reject any or all bids and to waive informalities.

Approved for Publication by: Delilah Saenz, CMC, City Clerk

Publish: **Daily Sun News**
November 6, 2014
November 13, 2014

**CITY OF SUNNYSIDE
INSTRUCTIONS TO BIDDERS
FUEL BID
SUBMISSION OF BIDS**

Sealed bids shall be addressed or delivered to:

City of Sunnyside
Public Works Department
818 East Edison Avenue
Sunnyside, Washington 98944

The bid envelope shall be clearly marked "FUEL BID"

CLOSING DATE

Bids will be received until 3:00 p.m. local time, November 21, 2014.

BID OPENING

Bids will be opened and publicly read aloud in the Conference Room, City Hall, Sunnyside, Washington, at 3:00 p.m. local time, November 21, 2014 at which time interested parties may be present to witness the bid opening.

ACCEPTABILITY OF BIDS

Bids must be submitted on the City of Sunnyside Bid Form and placed in the sealed envelope. The words "Fuel Bid" must be clearly marked on the front of the envelope.

The bid form must contain the bidders business or home address and must be signed by a duly authorized official.

Bids that are unsigned, incomplete, illegible, unbalanced, obscure, or with any other irregularities may be rejected. The City Council reserves the right to accept any or all bids or any portion thereof and to waive minor irregularities, informalities, at the City's discretion.

The bid shall be valid for ninety (90) calendar days following the bid opening date.

Prices shall be filled in where indicated on the bid form. Prices shall be net, F.O.B., Sunnyside unless otherwise stated, and shall not include any taxes, nor shall they be subject to any discounts or other conditions.

BID SPECIFICATIONS

The products shall conform to the requirements of the Tentative Specifications for Gasoline as approved by the American Society for Testing Materials, ASTM Designation D 439-81. The minimum octane rating shall conform to the Average Knock Index (R +M/2) as follows:

“Regular Unleaded” Minimum Octane 87

The seasonal variation in volatility and vapor pressure shall be substantially maintained in accordance with the schedule set up for the State of Washington as set forth in ASTM specifications above noted. Diesel fuel shall meet all State and Federal requirements controlling sulfur content for on-the-road diesel fuel.

Bidders shall give the following information relative to each grade of gasoline bid in the spaces provided:

1. The name of the brand(s) under which the gasoline is offered for sale to the general public:

“Regular Unleaded” gasoline: PACIFIC PRIDE

“Premium Unleaded” gasoline: PACIFIC PRIDE

“Diesel”: PACIFIC PRIDE

2. The nature of any added substances other than volatile petroleum hydrocarbons:

“Regular Unleaded” gasoline: 10% ETHANOL

“Premium Unleaded” gasoline: N/A

3. The guaranteed average and minimum Octane Number:

“Regular Unleaded” Average: 87 Minimum 87

“Premium Unleaded” gasoline: 91 Minimum 91

4. The guaranteed average and maximum Sulfur content in “Diesel”

Grade No. 2 : Average < 12 PPM Minimum < 12 PPM

All bids shall be made for a card controlled fuel purchase system for unleaded gasoline, premium unleaded gasoline and diesel fuel. Ease of City staff operation, proximity to City facilities, convenience and accounting time, etc. for this system will be taken into consideration when determining the low bid.

- A. There shall be a "card lock" pumping location throughout the state of Washington with **24 hour service**, to include the City of Sunnyside. At the time of purchase, as a minimum, the card lock system must be set up so that the vehicle number, the vehicle odometer reading, and the employee's number obtaining fuel must be used to begin the fuel pump delivery system. The supplier shall provide the appropriate cards and personal identification numbers to operate the system so that all record keeping and security procedures are maintained.
- B. The supplier must provide a monthly electronic accounting, in Excel format, that must include an itemized account detailing the activity of each vehicle (see attached sample on page 8). This accounting as a minimum must list: date, time, vehicle number, employee number used when obtaining fuel, vehicle odometer reading, type of fuel, number of gallons pumped, and actual price charged. Each monthly billing shall also include copies of the appropriate weekly OPIS publication for that billing cycle or the major supplier's price change letter.
- C. Contract shall be for a five (5) year term beginning January 1, 2015 through December 31, 2019. Either party may terminate this contract upon ninety (90) days written notice to the other.

PRICING, PRICE ESCALATION - BULK FUELS

- A. Contract prices will be allowed to increase or decrease after bid opening and during the term of the contract. All contract price adjustments shall be based on the change in the vendor's major supplier's listed price for the following P.A.D. cities: Seattle, Spokane, Portland, Sunnyside, or Pasco as reported in the weekly publications, Oil Price Information Service (OPIS published by the United Communications Group). A second method shall be to reference the major supplier's price change letter which reflects changes at the location of your plant.
- B. Bidder shall specify his supplier (See Bid Form) and the price adjustment reference City (Seattle, Spokane, Portland, Sunnyside, or Pasco) to be used for contract price adjustments on bid Proposal. Bidder may submit any number of suppliers and reference cities as necessary to demonstrate the availability of their fuel supply. A copy of the appropriate OPIS publication, or in the case of the second method (above) the calculation price shall show the wholesale buying price per gallon, applicable Federal and State taxes, supplier cost mark-ups for handling, distribution, and profit, used as a bidding reference and must be included with the bid submitted. If OPIS does not list one or more supplier product prices for a reference city, the listed average price for that city shall be used.
- C. Any upward or downward change in the major supplier's prices from one OPIS publication to the next, or change in the price from the major supplier's price change letter will be added or subtracted from the previous contract price but the margin as bid will remain the same. It is important to note that the difference between the Bid Price and the selected OPIS Price or major suppliers price change letter at the time of the bid, must be maintained throughout the period of the contract. The effective date of the price change will be on 12:01 a.m. the day following the date of the publication which reflects the price change.

- D. The first price adjustment shall be based on the difference in the prices for the last OPIS publication issue or major supplier's price change letter prior to the effective date of the contract. Any upward or downward change in the comparison of prices will be added to or subtracted from bid prices with the effective date of such change to be 12:01 a.m. the day following the date of the publication which reflects the price change.

BIDDERS QUALIFICATIONS

Bidders may be required to submit evidence as to their ability to supply and provide the above defined service and should be prepared to satisfy the City as to their competency to meet the specifications and conditions. Bidders, when required by law, shall be licensed and bonded by the State of Washington.

CONDITIONS

The bidder is fully responsible for obtaining all information for the preparation of this bid.

LIABILITY

The bidder shall ensure that the City, its officers and employees, are held harmless from any liability whatsoever arising out of the bidder's performance or non-performance of the term of this bid, including the performance and non-performance by any sub-contractor or employee.

CONTRACTORS PROTECTIVE CLAUSE

There shall be no obligation to deliver any or all of the products included in this proposal in the customary manner when such deliveries are prevented or hindered by Act of God, fire, strike, partial or total interruptions or loss or shortage of transportation facilities, or by other similar or different acts of civil or military authorities, or by other like causes beyond the control of the contractor.

FURTHER INFORMATION

Contact the City of Sunnyside Public Works Department at 818 East Edison Avenue, Sunnyside, Washington, 98944 or telephone 509-837-5206.

BID FORM

I/We the undersigned, having read all requirements of this call for bids, together with all the special provisions and specifications set forth herein, do agree in every particular, and will furnish petroleum products and documentation as specified herein as follows:

Bidder's Major Supplier is (are): Phillips 66 & BP, and the OPIS price adjustment reference city(s) shall be: Seattle, Spokane, Sunnyside, Portland, or X Pasco.

	<u>Regular Unleaded</u>	<u>Diesel Fuel</u>
Estimated Annual Volume:	<u>36,000</u>	<u>14,000</u>
Per Gallon Rack Price (Effective: Date of Bid Submittal)	<u>2.605</u>	<u>2.1265</u>
Per Gallon State Taxes:	<u>.375</u>	<u>.375</u>
Per Gallon Federal Taxes:	<u>EXEMPT</u>	<u>EXEMPT</u>
Per Gallon Profit Margin Above Rack Price: (Excluding Taxes)	<u>.0781</u>	<u>.114</u>
Total Cost Per Gallon:	<u>3.0581</u>	<u>2.6155</u>

NOTE: ALL BIDS WILL BE EVALUATED AS A WHOLE, NOT "PER PRODUCT"

Location(s) of 24 hour pumping facilities: 106 N 9TH ST SUNNYSIDE WA. 98944

This bid shall be valid for a period of ninety (90) days from the bid opening date.

SEE ATTACHED LOCATION DIRECTORY

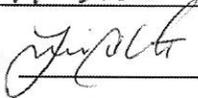
The undersigned hereby submits the above bid to the City of Sunnyside, together with a bid deposit in the amount of \$200.00.

Bidder's Name: CO-ENERGY

Address: 1015 N. OREGON AVE.

PASCO, WA. 99301

Telephone Number: (509)547-3326

Signature of Authorized Official:  - TRAVIS COULTER

Title of Authorized Official: PACIFIC PRIDE SALES MANAGER

Date: 11/21/2014

EXHIBIT "A"
City of Sunnyside – Instructions to Bidders, Fuel Bid

Sample Billing

Equip	DATE	TIME	VEH#	MISC#	ODOM	ST	SITE	PRD	GALLONS	FED TAXES	ST/CNTY TAXES	PPG	TOTAL
17	11/8/09	19:05	B.	HARRIS	49091	WA	SSIDE #2065	DF	20.542	0.06	8.27	2.6443	54.32
27	11/2/09	2:51	B.	HARRIS	50844	WA	SSIDE #2065	DF	26.823	0.08	10.81	2.631	70.57
27	11/4/09	20:08	R.	SAVAGE	51037	WA	SSIDE #2065	DF	21.239	0.06	8.56	2.671	56.73
37	11/4/09	20:11	D.	BOER	47236	WA	SSIDE #2065	DF	12.544	0.04	5.05	2.6706	33.5
37	11/7/09	6:05	G.	SMITH	47424	WA	SSIDE #2065	DF	22.91	0.07	9.24	2.6451	60.6
37	11/7/09	21:48	B.	HARRIS	47367	WA	SSIDE #2065	DF	20.001	0.06	8.05	2.6444	52.89
117	11/5/09	13:28	L.	HAZZAR	37621	WA	SSIDE #2065	UNL	17.416	0.05	7.01	2.6114	45.48
118	11/1/09	13:42	B.	HARRIS	16459	WA	CLE ELUM-WA	UNL	11.458	0.03	4.63	2.7614	31.64
118	11/2/09	16:25	G.	SMITH	16565	WA	SSIDE #2065	UNL	9.255	0.03	3.72	2.6008	24.07
209	11/5/09	7:16	J.	URIBE	34526	WA	SSIDE #2065	UNL	22.004	0.06	8.85	2.6109	57.45
233	11/4/09	8:57	M.	ZIEGLE	549	WA	SSIDE #2065	DF	9.198	0.03	3.71	2.6723	24.58

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CO-ENERGY PACIFIC PRIDE SITE LOCATIONS

* As a Pacific Pride Cardholder you may fuel at any Pacific Pride site in the United States and/or Canada. Below is a list of Pacific Pride sites owned by Connell Oil, Inc. * Visit www.pacificpride.com for more location details.

PASCO

1802 N. Commercial Ave DEF & 91 Non-Eth
Pasco, WA 99301

1015 N. Oregon Ave (6C) DEF & 91 Non-Eth
Pasco, WA 99302

3802 Swallow Ave. (ARF) 91 Non-Eth
Pasco, WA 99301

817 West "A" Street (SY) 91 Non-Eth
Pasco, WA 99301

KENNEWICK (ARI) **DEF & 91 Non Eth (Both)**

815 W. Columbia Drive
Kennewick, WA 99336

106609 E. Wiser Parkway
Kennewick, WA 99338

RICHLAND (ARK) - **DEF & 91 Non-Eth**

1980 Terminal Drive
Richland, WA 99352

PROSSER (ARJ) - **DEF & 91 Non-Eth**

101 Merlot Drive
Prosser, WA 99350

WASHTUCNA (AU3) -

505 Main St.
Washucna, WA 99371

SUNNYSIDE (AVK) - **91 Non-Eth**

106 North 9th St. Sunnyside, WA 98944

OROVILLE (WW)-

91 Non-Eth
615 11th St Oroville, WA 9844

CONNELL (SK) - **DEF & 91 Non-Eth**

900 S. Columbia Drive
Connell, WA 99326

BASIN CITY (ARG)

6521 Road 170
Basin City, WA 99343

OTHELLO (WZ) - **DEF & 91 Non-Eth**

20 E. Wahluke Street
Othello, WA 99344

LIND (AU2) - **91 Non-Eth**

318 W. First
Lind, WA 99341

RITZVILLE (AU1) - **DEF & 91 Non-Eth**

1302 W. First Ave.
Ritzville, WA 99169

DAVENPORT (AVC) - **DEF & 91 Non-Eth**

1308 W. 12th St.
Davenport, WA 99122

BENGE (AG3)

2963 E. Benge-Winona Rd.
Benge, WA 99105

ELTOPIA (ALF) - **DEF & 91 Non-Eth**

5100 Eltopia West Road Eltopia, WA 99330