



CITY of NOVI CITY COUNCIL

Agenda Item 3
December 21, 2015

SUBJECT: Approval to award a two year contract for fuel to Ports Petroleum Co., Inc. and RKA Petroleum Companies (a split award) for Truck Transport deliveries (over 5,000 gallons); and Atlas Oil Company and RKA Petroleum Companies (a split award) for Tank Wagon deliveries (under 5,000 gallons) through the Michigan Intergovernmental Trade Network (MITN) cooperative purchasing bid for an estimated annual amount of \$349,000.

SUBMITTING DEPARTMENT: Finance/DPS

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 349,000
AMOUNT BUDGETED	\$ 384,000
APPROPRIATION REQUIRED	N/A
LINE ITEM NUMBER	101-442.30-861.000 (Note: Allocated to other funds/depts. based on usage.)

BACKGROUND INFORMATION:

The City of Novi purchases approximately 115,000 gallons of gasoline and 42,000 gallons of diesel per year (based on usage in fiscal year 2014-2015) to fuel the City's fleet of automobiles, trucks, equipment, and generators. The City of Novi makes truck transport purchases (over 5,000 gallons per delivery) for the DPS fuel tanks and tank wagon purchases (less than 5,000 gallons) to fill backup generator fuel tanks at City facilities, lift stations, and booster stations.

Sterling Heights posted the bid for the fuel contract on behalf of 18 Michigan Intergovernmental Trade Network (MITN) member communities, including Novi. The contract is for a two year period effective February 1, 2016 with an additional two year renewal option. Sterling Heights received five qualified bids which were reviewed and evaluated. They have awarded the truck transport portion to two firms (Port Petroleum, Inc. and RKA Petroleum), and the tank wagon portion of the bid to two firms (Atlas Oil Company and RKA Petroleum). By awarding to the two low bidders for truck transport and tank wagon deliveries, we can leverage favorable pricing based on the type and quantity of fuel being purchased, and have backup suppliers.

The bid is structured so that we pay for fuel based on the per gallon wholesale rack average as published daily by the Oil Price Information Service (OPIS) plus a delivery fee (bid factor) per gallon. We use Unleaded 87 (regular) gasoline and ULS Diesel #2 for vehicles and equipment, and ULS Dyed Diesel #2 for backup generators.

The Library Network (TLN), a consortium of 65 libraries in Southeast Michigan, has been given access to our fuel station to fill up their fleet vehicles through an Intergovernmental Agreement to purchase fuel from us. This arrangement provides a cost savings for them.

RECOMMENDED ACTION: Approval to award a two year contract for fuel to Ports Petroleum Co., Inc. and RKA Petroleum Companies (a split award) for Truck Transport deliveries (over 5,000 gallons); and Atlas Oil Company and RKA Petroleum Companies (a split award) for Tank Wagon deliveries (under 5,000 gallons) through the Michigan Intergovernmental Trade Network (MITN) cooperative purchasing bid for an estimated annual amount of \$349,000.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Burke				
Council Member Casey				

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				

**CITY OF STERLING HEIGHTS
 BID TABULATION - OCTOBER 13, 2015
 ITB-SH15-032: TRUCK TRANSPORT AND TANK WAGON
 DELIVERIES OF UNLEADED GASOLINE AND DIESEL FUEL**

TRUCK TRANSPORT FACTORS																	
Commodity	Est. Gallons	Avg	Atlas Oil Company			Mansfield Oil Company			Petroleum Traders Corp			Ports Petroleum			RKA Petroleum Companies		
			Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total
Unleaded 87	2,079,000	1.8353	+0.148	\$1.8501	\$3,846,357.90	+0.1600	\$1.85130	\$3,848,852.70	-0.075	\$1.8278	\$3,799,996.20	-0.139	\$1.8214	\$3,786,690.60 *	-0.243	\$1.8110	\$3,765,069.00
Unleaded Mid-Grade 89	416,000	2.0610	+0.148	2.0758 *	863,532.80	+0.1950	2.08050	865,488.00	-0.018	2.0592	856,627.20	-0.026	2.0584	856,294.40	-0.208	2.0402	848,723.20
ULS Premium Diesel #2	375,000	2.1230	-0.154	2.1076	790,350.00	-0.143	2.10870	790,762.50	-0.162	2.1068	790,050.00	-0.193	2.1037	788,887.50	+0.0120	2.1242	796,575.00
ULS Diesel #2	624,000	2.0928	-0.154	2.0774	1,296,297.60	-0.193	2.07350	1,293,864.00	-0.276	2.0652	1,288,684.80	-0.293	2.0635	1,287,624.00	-0.108	2.0820	1,299,168.00
Totals					\$6,796,538.30			\$6,798,967.20			\$6,735,358.20			\$6,719,496.50			\$6,709,535.20

TANK WAGON FACTORS																	
Commodity	Est. Gallons	Avg	Atlas Oil Company			Mansfield Oil Company			Petroleum Traders Corp			Ports Petroleum			RKA Petroleum Companies		
			Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total	Factor	Price/gal	Ext Total
Unleaded 87	185,400	1.8353	+0.0995	\$1.9348	\$358,711.92	+0.2928	\$2.1281	\$394,549.74	N/B			+0.3000	\$2.1353	\$395,884.62	+0.0848	\$1.9201	\$355,986.54
Unleaded Mid-Grade 89	171,800	2.0610	+0.0995	2.1605	371,173.90	+0.2928	2.3538	404,382.84	N/B			+0.3000	2.3610	405,619.80	+0.0848	2.1458	368,648.44
ULS Premium Diesel #2	18,500	2.1230	+0.0995	2.2225	41,116.25	+0.3133	2.4363	45,071.55	N/B			+0.3000	2.4230	44,825.50	+0.0968	2.2198	41,066.30
ULS Diesel #2	88,100	2.0928	+0.0995	2.1923	193,141.63	+0.2933	2.3861	210,215.41	N/B			+0.3000	2.3928	210,805.68	+0.0848	2.1776	191,846.56
ULS Dyed Diesel #2	102,000	2.1009	+0.0995	2.2004	224,440.80	+0.2933	2.3942	244,208.40	N/B			+0.3000	2.4009	244,891.80	+0.0848	2.1857	222,941.40
ULS Dyed Diesel #1	200	2.5016	+0.0995	2.6011	520.22	+0.9933	3.4949	698.98	N/B			+0.4000	2.9016	580.32	+0.2202	2.7218	544.36
Totals					\$1,189,104.72			\$1,299,126.92			\$0.00			\$1,302,607.72			\$1,181,033.60

ADDITIONAL TERMS AND CONDITIONS					
	Atlas Oil Company	Mansfield Oil Company	Petroleum Traders Corp	Ports Petroleum	RKA Petroleum Companies
Short load charge - TRUCK (5,000-8,000 gals)	\$50	\$70	\$50	\$75	\$50
Short load charge - TANK WAGON	\$0	\$0	N/B	\$0 - 500 to 5,000, \$150 < 500	\$0 - 150 to 5,000, \$100 < 150
Minimum delivery w/no charge - TANK WAGON	No minimum	500 gallons	N/B	500 gallons	150 gallons
Volume/Gallons, SE MI	200,000,000	99,955,000 +	5,200,000	> 10,000,000	100,000,000
Terms	net 30	net 30	net 30, or net 10 w/.005 gal discount	net 30	net 30, or net 15 w/.005 gal discount
Split order charge	\$35.00	\$40.00	\$40.00	\$55.00 (if not at same address)	\$35.00
Delivery Time	24 hours	24 hours	24 hours	24 hours	24-48 hours

OPIS Detroit Michigan Rack Average - Purchasing adjusted several to maintain continuity to benchmark.

* Adjusted by Purchasing

N/B - No Bid Submitted

Bid by Foster Blue Water Oil Co. was received late, unopened.

All factors above include: Federal LUST (Leaking Underground Storage Tank) tax, State UST (Underground Storage Tank) Fee, and Federal Environmental Recovery Fee.



**Business of the City Council
Sterling Heights, Michigan**

City Clerk's Use
Item No:
Meeting: 11/17/15

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To split the award of a bid for truck transport and tank wagon deliveries of gasoline and diesel fuel at unit factors/prices bid for a two-year period (Annual estimated expenditure of \$775,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)

Attachments

___	City Clerk	___	Resolution	___	Minutes
___	Finance & Budget Director	___	Ordinance	___	Plan/Map
___	City Attorney (as to legal form)	___	Contract	___	Other
___	City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- The City of Sterling Heights purchases approximately 190,000 gallons of gasoline and 88,200 gallons diesel fuel per year to power the City's fleet of automobiles, trucks, equipment and generators. The City is also the lead agency for a Michigan Intergovernmental Trade Network (MITN) cooperative bid for the purchase of gasoline and diesel fuel that includes 18 member communities in the Macomb, Oakland and Wayne County region. Through this cooperative bid, approximately 2,900,000 gallons of gasoline and 1,230,000 gallons of diesel fuel are purchased annually. The current bid pricing expires on February 1, 2016.
- The bid is structured so that MITN members pay for fuel based on the per gallon wholesale rack average as published daily by the Oil Price Information Service (OPIS), plus a delivery fee (bid factor) per gallon. Gasoline and diesel fuel are purchased and delivered by truck transport for quantities of fuel greater than 5,000 gallons, and by tank wagon for quantities less than 5,000 gallons. On October 13, 2015, five bids were received for the cooperative purchase of truck transport and tank wagon deliveries of gasoline and diesel fuel for a two-year period.
- Upon receipt and review of all bids, recommendation is being made to split the award of the bid among three bidders. For the truck transport portion of the bid, the recommendation is to award the bid to RKA Petroleum, Inc. and Ports Petroleum Co., Inc., the two low bidders meeting bid specifications. For the tank wagon portion of the bid, recommendation is being made to award the bid to RKA Petroleum, Inc. and Atlas Oil Company, the two low bidders meeting bid specifications. As more fully explained in the attached Staff Report, by awarding to the two low bidders for truck transport and tank wagon deliveries, participating cooperative members will be able to leverage favorable pricing based upon the type and

quantity of fuel being purchased.

- Wholesale fuel prices charged to MITN members through this cooperative bid may fluctuate daily based on market conditions and are considerably lower than consumer pump prices as evidenced in the examples below. Qualifying governmental entities are tax exempt, however, Federal LUST (Leaking Underground Storage Tank) taxes, Michigan UST (Underground Storage Tank) fees, and Federal Environmental recovery and protection fees are payable, and total \$0.01165 per gallon. These allowable taxes/fees are included in all bids submitted.
- For comparative purposes, the following breakdown compares the pricing per gallon for truck transport and tank wagon deliveries of fuel available to the City under the low bids as compared to consumer pump pricing. Wholesale pricing was based on the OPIS Detroit Rack Average on October 6, 2015:

Truck Transport (>5,000 gallon deliveries)

<u>Fuel Type</u>	<u>10/6/15 OPIS Price per Gallon</u>	<u>Bid Factor Delivery Fees per Gallon *</u>	<u>Total Delivered Price per Gallon</u>	<u>Comparative Consumer Retail Price per Gallon</u>
Unleaded Reg. Gasoline	\$1.8353	\$-0.0243**	\$1.8110	\$2.428
ULS Diesel #2	\$2.0928	\$-0.0293**	\$2.0635	\$2.679

* Includes State & Federal fees per gallon

** For the first time ever, bids were received that reflect negative (-) factors for the truck transport deliveries. This negative factor applies only to the larger truck transport deliveries, not the smaller volume tank wagon deliveries. These negative bid factors can best be explained as the 'sharing of a volume discount provided to the vendor from the fuel terminals.' The bidders buy a high volume of fuel from the terminals and as a result, have favorable pricing agreements with the terminals. In the hope of being awarded a bid, vendors have made a business decision to pass along savings offered by the terminals in the form of a negative factor. If awarded, the gallons of fuel included in this cooperative bid advances the vendors objective of meeting their threshold of fuel needed to secure favorable pricing from the fuel terminals.

Tank Wagon (<5,000 deliveries)

<u>Fuel Type</u>	<u>10/6/15 OPIS Price per Gallon</u>	<u>Bid Factor Delivery Fees per Gallon *</u>	<u>Total Delivered Price per Gallon</u>	<u>Comparative Consumer Retail Price per Gallon</u>
Unleaded Reg. Gasoline	\$1.8353	\$0.0848	\$1.9201	\$2.428
ULS Diesel #2	\$2.0928	\$0.0995	\$2.1923	\$2.679

* Includes State & Federal fees per gallon

- Truck Transport - RKA Petroleum is one of two incumbent *truck transport* vendors and their past performance has been very good. RKA is also a current vendor for the State of Michigan cooperative.

Ports Petroleum Co., Inc. is a new vendor for the City. They are located in Wooster, Ohio and are licensed to sell and transport fuel in 26 states. Ports Petroleum utilizes a fleet of their own trucks as well as contractual carriers to deliver their fuel products. References for both of the truck transport vendors were checked and proved to be positive. Ports Petroleum is being recommended for fuel deliveries under a separate bid by Macomb County.

- Tank Wagon - Atlas Oil Company is the incumbent tank wagon vendor and has performed well with this cooperative bid over the past four years. Atlas Oil also delivered fuel for this cooperative from 2003 to 2007. As indicated above, RKA Petroleum has successfully provided truck transport delivery for the MITN cooperative. References proved favorable for both.
- As the lead municipality, the MITN cooperative members rely upon the recommendation of the City of Sterling Heights in awarding this bid. After this bid award by the city of Sterling Heights, the remaining 17 MITN cooperative members will have the opportunity to purchase gasoline and diesel fuel using the bid pricing secured through this cooperative bid.
- Please see the attached Staff Report and supporting documentation for additional information.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to split the award of the bid for truck transport and tank wagon deliveries of unleaded gasoline and diesel fuel to the following vendors based on bid factors included in their respective bids for a two-year period, with the option to extend the terms and conditions an additional two years upon mutual consent:

Truck Transport deliveries:

1. RKA Petroleum Companies, 28340 Wick Rd., Romulus, MI, 48174, and
2. Ports Petroleum Co., Inc., 1337 Blacheyville Road, Wooster, OH 44691.

Tank Wagon deliveries:

1. RKA Petroleum Companies, 28340 Wick Rd., Romulus, MI, 48174, and
2. Atlas Oil Company, 24501 Ecorse Rd., Taylor, MI, 48180.

CITY OF STERLING HEIGHTS
STAFF REPORT
November 17, 2015

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

GENERAL INFORMATION:

On October 13, 2015, bids were received in response to a MITN cooperative bid solicitation for the delivery of gasoline and diesel fuel. Invitations to Bid were advertised on SHTV, posted to the MITN website, Facebook and Twitter and published in the Sterling Heights Sentry. Five (5) vendors responded with bids per the attached bid tabulation. One bid was received late, rejected, and returned unopened to the non-compliant bidder. Funds for the purchase of gasoline and diesel fuels are budgeted in 11717553 (Fleet Maintenance) 750000 (Fuels and Lubricants). As budgeted, the City estimates that it will expend approximately \$775,000 for truck transport and tank wagon deliveries annually.

STAFF ANALYSIS AND FINDINGS:

Upon review and analysis of all qualifying bids received, the recommendation is being made to split the award of the bid among three vendors per the following analysis:

Truck Transport (deliveries of greater than 5,000 gallons): Recommendation is being made to award truck transport deliveries to the two overall low bidders, RKA Petroleum Companies and Ports Petroleum Co., Inc. based upon the following bids:

Ports Petroleum Co., Inc., 1337 Blachleyville, Wooster, OH 44691:

Unleaded Regular 87	\$-0.0139/gal
Unleaded Mid-Grade 89	\$-0.0026/gal
ULS Premium Diesel #2	\$-0.0193/gal
ULS Diesel #2	\$-0.0293gal

RKA Petroleum Companies, Inc., 28340 Wick Road, Romulus, MI 48174:

Unleaded Regular 87	\$-0.0243/gal
Unleaded Mid-Grade 89	\$-0.0208/gal
ULS Premium Diesel #2	\$0.0120/gal
ULS Diesel #2	\$-0.0108/gal

Ports Petroleum is the low bidder overall for two of the four commodities specified and bid. Its ultra low sulfur (ULS) premium diesel factor of \$-0.193, and ULS diesel #2 factor of \$-0.0293 are slightly lower than those factors submitted by RKA Petroleum. RKA Petroleum's unleaded and mid-grade unleaded gasoline factors of \$-0.0243 and \$-0.0208, respectively, are marginally lower than Ports Petroleum, the next low bid.

Additionally, RKA offers a \$0.005 per gallon discount for “net 15” payment terms. RKA Petroleum is one of three incumbent vendors for the fuel delivery. They have performed well over the past four years and resolved any issues that arose during that time frame.

Ports Petroleum, based in Wooster, OH, is a new vendor to the City. They utilize the same terminals as all other fuel delivery companies operating in southeastern Michigan. Ports Petroleum is licensed to deliver fuel in 26 states using their own fleet of trucks as well as contracting with local carriers for delivery when needed. Local and nationwide references were checked and proved positive. Ports Petroleum is also being recommended for a bid award by Macomb County for their fuel delivery.

Cooperative members purchasing under this bid can decide on their own where to purchase truck transport fuels based on the best available pricing. An award in this fashion allows each entity to leverage the bid results and purchase fuel at the lowest cost, depending on the specifics of the order being placed. In the event of an emergency, MITN cooperative members will have access to two truck transport vendors.

Tank Wagon (deliveries of less than 5,000 gallons): Recommendation is being made to award tank wagon deliveries to the two overall low bidders, RKA Petroleum Company and Atlas Oil Company based upon the following bids:

RKA Petroleum Companies, Inc., 28340 Wick Road, Romulus, MI 48174:

Unleaded Regular 87	\$0.0848/gal
Unleaded Mid-Grade 89	\$0.0848/gal
ULS Premium Diesel #2	\$0.0968/gal
ULS Diesel #2	\$0.0848/gal
ULS Diesel #2 Dyed	\$0.0848/gal
ULS Diesel #1 Dyed	\$0.2202/gal

Atlas Oil Company, 24501 Ecorse Rd., Taylor, MI, 48180

Unleaded Regular 87	\$0.0995/gal
Unleaded Mid-Grade 89	\$0.0995/gal
ULS Premium Diesel #2	\$0.0995/gal
ULS Diesel #2	\$0.0995/gal
ULS Diesel #2 Dyed	\$0.0995/gal
ULS Diesel #1 Dyed	\$0.0995/gal

RKA Petroleum pricing for tank wagon deliveries is the low bidder for five of the six commodities. However, the minimum load is 150 gallons, before additional delivery charges apply. Atlas Oil Company is the incumbent delivery agent for tank wagon deliveries for the past four years as well as during the 2003 to 2007 time frame. Atlas Oil does **not** have a minimum delivery quantity and subsequently no short load charge. There were no reported problems during the past four years.

As indicated above, an award to two vendors affords MITN members the opportunity to

leverage the bid results and purchase fuel at the lowest cost, depending on the commodity and quantity being ordered. Also, in the event of an emergency, MITN cooperative members will have access to two tank wagon vendors.

Bid specifications required the inclusion of all allowable taxes and fees as part of the submitted factors for each commodity. These allowable taxes/fees include:

Federal LUST (Leaking Underground Storage Tank) taxes - \$0.0190 per gallon.

Michigan UST (Underground Storage Tank) fees - \$0.00875 per gallon.

Federal Environmental Recovery Fee - \$0.001 per gallon.

In total, these allowable taxes/fees equate to \$0.01165 per gallon and are included in all factors submitted.

MITN cooperative members include the governmental entities of Birmingham, Clinton Township, Eastpointe, Farmington Hills, Grosse Pointe Woods, Huron-Clinton Metro Parks, Livonia, Madison Heights, Novi, Oakland County, Rochester Hills, Royal Oak, St. Clair Shores, Southfield, Sterling Heights, Troy, Warren, Waterford, and West Bloomfield. In addition, there are approximately 2-3 additional entities that may be included at a later date.

All vendors receiving an award must agree to indemnify and hold the MITN cooperative members harmless from liability and provide evidence of insurance with acceptable terms and coverage.

STAFF RECOMMENDATION:

Please see the suggested action on the Agenda Statement.



CITY OF Sterling Heights
 InnovatingLiving

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City Council
 Mayor Michael C. Taylor
 Mayor Pro Tem Doug Skrzyniarz
 Councilwoman Deanna Koski
 Councilman Joseph V. Romano
 Councilwoman Maria G. Schmidt
 Councilman Nate Shannon
 Councilwoman Barbara A. Ziarko

City Manager Mark D. Vanderpool

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**INVITATION TO BID
 ITB-SH15-032**

The City of Sterling Heights, as the lead agency for a fuel cooperative of at least eighteen governmental entities, is accepting sealed bids for TRUCK TRANSPORT AND TANK WAGON DELIVERIES OF UNLEADED GASOLINE AND DIESEL FUEL until TUESDAY, OCTOBER 13, 2015, at 2:30 P.M. in the Office of the City Clerk, 40555 Utica Road, Sterling Heights, MI 48313. Specifications are attached.



 James Buhlinger
 Purchasing Manager

Office of Purchasing
 586-446-2740

INVITATION TO BID
TRUCK TRANSPORT AND TANK WAGON DELIVERIES OF
UNLEADED GASOLINE AND DIESEL FUEL

CITY OF STERLING HEIGHTS
40555 UTICA ROAD
Sterling Heights, MI 48313

CONTACT PERSON: JAMES BUHLINGER, PURCHASING MANAGER
PHONE: 586-446-2741, FAX: 586-276-4062, E-MAIL: shpurchasing@sterling-heights.net

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I. GENERAL CONDITIONS

All information requested of the vendor shall be entered in the appropriate space on the form. Failure to do so may disqualify your offer.

All information shall be entered in ink or typewritten. Mistakes may be crossed out and corrections inserted before submission of your bid. Corrections shall be initialed in ink by the person signing the bid.

Corrections and/or modifications received after the closing time specified will not be accepted.

Time of delivery/installation shall be stated as the number of calendar days following receipt of the order by the vendor to receipt of the goods or services by the City. Time of delivery/installation may be a consideration in the award.

Prices shall be stated in units of quantity specified in the bid document. In case of a discrepancy in computing the amount of the bid, the unit price shall govern. All quantities stated, unless indicated otherwise, are estimates and the City reserves the right to increase or decrease the quantity at the unit price bid as best fits its needs.

All prices will be bid F.O.B. Destination and remain in effect for at least 90 days to allow for approval by City Council. The successful bidder's prices will remain firm through the length of the contract as designated within these bid specifications.

Bids shall include all charges for delivery, packing, crating, etc. unless otherwise stated in the bid document. General delivery hours are 8:30 a.m. to noon and 1:00 p.m. to 5:00 p.m. Monday – Friday. No deliveries are to be made between noon and 1:00 p.m. The city is not to be held responsible for, and will not pay, any fuel surcharges during the term of the contract. Unit prices bid shall include delivery.

Prices will be considered net if no cash discount is shown.

All bids shall be signed by an authorized officer or employee of the bidder.

To be considered, bids must be submitted and received in the Office of the City Clerk and stamped with the official time/date stamp in the Clerk's Office by the date and at, or prior to, the time specified. No late bids, telegraphic, faxed bids or telephone bids will be accepted.

Submit bids in a sealed envelope, stating item being bid, closing date and time on outside of envelope. Please submit your original bid. No additional copies are necessary.

Bids may be withdrawn in person by a bidder, or authorized representative, provided their identity is made known and a receipt is signed for the bid, but only if the withdrawal is made prior to the stated bid deadline.

The City of Sterling Heights reserves the right to postpone the bid opening for its own convenience.

Official bid specifications are available only at www.mitn.info.

Municipalities are exempt from Michigan State Sales and Federal Excise taxes. Do not include such taxes in your bid price. The City will furnish the successful contractor with tax exemption certificates when requested. The following exception shall apply to installation projects. When sales tax is charged to the successful contractor for materials to be installed during the project, that cost shall be included in the bid cost and not charged as a separate item. The City is not tax exempt in this case and cannot issue an exemption certificate. If you are unfamiliar with your sales and use tax obligations, please contact the Michigan Department of Treasury for directions, including any applicable Revenue Administrative Bulletins (i.e. 1999-2 and any subsequent replacements / updates).

The City's normal payment terms are 30 days in connection with any cash discounts specified on this bid. Time will be computed from the date of complete delivery of supplies or equipment as specified, or from the date correct invoices are received in the City's Finance Department, if the latter date is later than the date of delivery.

The City reserves the right: (1) To award bids received on the basis of individual items, or groups of items, or on the entire list of items, (2) To reject any or all bids, or any part thereof, (3) To waive any irregularity in the bids, (4) To accept the bid that is in the best interest of the City, (5) To reduce or eliminate this purchase without prior notice, (6) To split the award to realize the greatest cost savings, (7) To issue Post-Bid Addendums to clarify or request additional information, including pricing, (8) To require one or more selected bidders to perform the requested service on a trial basis, at the unit prices bid, as evidence of a bidders ability to satisfactorily perform the requested service, prior to a formal recommendation and approval by City Administration / City Council.

This invitation to bid and the acceptance of a bid by the City is not a contract for the purchase of services or products. The City will issue a Purchase Order, which will define, make reference to, and incorporate the bid specifications and the pricing bid as accepted by the City. Winning bidder is not to commence with any service or product order without receiving a Purchase Order signed by the Purchasing Manager. Unless otherwise stated, all contracts for services are subject to additions, reductions and/or termination at the sole discretion of the City and without prior notice by the City.

Bid prices submitted by the successful bidder should remain firm for the length of the contract from date of award by City Council.

ALL BIDS MUST INCLUDE MATERIAL SAFETY DATA SHEETS FOR MATERIALS AS REQUIRED BY M.I.O.S.H.A.

The City of Sterling Heights is part of an organization called the Michigan Inter-governmental Trade Network (MITN), a group of agencies that joined forces to create a Regional Bid Notification System to notify companies of new bid opportunities. All bids, quotations and proposals are now being posted online. All vendors are encouraged to visit <http://www.mitn.info> in order to register their company and gain access to new bids and proposals. If you do not have internet access, please call 1-800-835-4603 to speak to a representative at BidNet®, the technical support group that handles the MITN system.

II. CHECK LIST FOR BIDDERS

All information required by the terms of the bid documents must be furnished.

MISTAKES OR OMISSIONS CAN RESULT IN THE REJECTION OF YOUR BID.

Important items for you to check are included in, but not limited to, those listed below. This checklist is furnished only to assist you in submitting a proper bid. Check as you read.

- _____ Is your bid properly signed? (refer to bid documents)
- _____ If required, have you entered a unit price for each bid item?
- _____ If required, have you entered the unit price or lump sum price in both words and figures? (unit price or lump sum price in words governs)
- _____ Are decimals in unit price in the proper places? Are your figures legible?
- _____ Is the envelope containing your bid properly identified that it is a sealed bid and addressed with the bid shipping label?
- _____ Will your bid arrive on time? Late bids will *not* be considered. ***Bids must be received in the Office of the City Clerk and stamped no later than 2:30 p.m. with the official time stamp in the City Clerk's Office by the date specified.***
- _____ Are any bid bonds or bid deposits, if required, included in your bid package?
- _____ Did you include the **Exhibit A, Hold Harmless, Non-Iran Linked Business Certification** and **References** forms and **MSDS**?
- _____ Did you submit your original bid form (no additional copies are required)?
DO NOT RETURN COPIES OF OUR SPECIFICATIONS/INSTRUCTIONS. ONLY RETURN THE FORMS REQUIRING YOUR COMPLETION (Pages 15-20).
- _____ Did you check the MITN website for any addendums which may have been posted? **Addendums may be posted at any time.**

III. BID SUBMISSION INSTRUCTIONS

Please read these instructions carefully. ***Your bid may be disqualified if it is not submitted as detailed below.***

Your bid must be submitted in a sealed envelope or other form of sealed packaging (**NO** fax submissions will be accepted) using the bid shipping label provided.

Vendor Name

ITB-SH15-032: Truck Transport and Tank Wagon Deliveries of Leaded and Unleaded Gasoline, and Diesel Fuel

Date Due: Tuesday, October 13, 2015 at 2:30 p.m.

If the bid is to be express mailed, "**Bid Documents Enclosed**" must be conspicuously marked on the package. All bids, regardless of method used for delivery, are to be delivered to the following address:

City of Sterling Heights
Office of the City Clerk
Attn: Mark Carufel, City Clerk
40555 Utica Road
Sterling Heights, MI 48313

*Please keep in mind that due to the City's mail safety regulations, if your envelope/package is not labeled as directed, **it will not be opened and will be disposed.***

DO NOT deliver your bid to the requesting department or to the Office of Purchasing. All bids **must** be delivered to the Office of the City Clerk before the due date and time so they can be stamped received and filed appropriately. Bids are considered received when in the possession of the City Clerk. If your bid is not received before the due date and time, it will be disqualified and will not be opened or considered.

The City of Sterling Heights officially distributes bid documents through the Michigan Inter-governmental Trade Network (MITN). Copies of bid documents obtained from any other source are not considered official copies. Bids or notification of bids issued by members of MITN are to be posted, in whole or in part, **ONLY** on the MITN system. Any other use is prohibited. Only those vendors who obtain bid documents from the MITN system are guaranteed access to receive addendum information, if such information is issued. The City of Sterling Heights cannot guarantee the accuracy of any information not obtained from the MITN website and is not responsible for any errors contained by information received from alternate sources.

If you received this document from a source other than the sources indicated, please notify us. It is recommended that all vendors register on the MITN website at www.mitn.info to obtain an official copy. All future bids, proposals, quotes and any addenda and tabulations will be posted on the MITN website.

IV. INSTRUCTIONS TO BIDDERS

Attachments A, A1 and B, B1 indicate tank size and location; product required and estimated annual usage in summary and detailed formats. Volumes are estimates only that are based upon previous usage and are not a firm commitment. They are offered as a guide for bidding purposes only.

One price for each product shall apply to all delivery locations and all participants in this cooperative bid. Bids offering different prices for different locations or participants will be rejected. All prices shall be F.O.B. Destination.

Invoices will be paid within thirty (30) days of receipt. Payment discounts offered will be considered in calculations to arrive at the lowest price per gallon. Please indicate on the bid form if purchasing cards are accepted for payment of invoiced amounts, including the types of cards accepted.

Successful vendor must comply with all State of Michigan and local laws and ordinances i.e. frost laws, transportation of flammable liquids, etc. All bidders shall submit material safety data sheets (MSDS) for products included in their bid.

Before award of contract, the vendor must be post-qualified, by the cooperative as awardable to conduct business with the cooperative members. Failure to be post-qualified will result in rejection of vendor's bid.

PRICING

Pricing as indicated on the bid form shall be the final per gallon pricing for the term of the 2-year award and any extensions, and shall include any and all state and federal fees, underground storage taxes, environmental recovery fees, environmental protection fees, etc. No per gallon price increases will be allowed during the term of the award and any extensions.

INVOICES

Separate invoices with each delivery location shall be submitted in duplicate to each cooperative member's Finance Department. Invoices shall state the delivery location (name of using agency), product, quantity delivered and extended price. Each entity is responsible for its own ordering and payment. Vendor must submit verification of OPIS Price Report for date of delivery.

BILL OF LADING

Each delivery location shall receive a metered delivery slip that is metered at point of delivery, stating product and quantity delivered. Any exceptions to this requirement must be noted on your bid and be accepted by the cooperative prior to award of bid.

SALES AND EXCISE TAXES

Each cooperative member is exempt from sales and federal excise taxes. Bid price is to be net, exclusive of taxes. Each cooperative member will issue the necessary exemption certificates, if requested.

STATE AND FEDERAL SURCHARGES

All additional charges, including State and Federal surcharges and MUSTFA, must be computed and included within your unit pricing on your bid form and not broken out separately. Any additional surcharges that come up after award cannot be charged nor will be paid by any entities during the course of the contract. Any surcharges should be included but must be broken out as a line item on the invoice.

DELIVERY REQUIREMENTS

All deliveries shall be made within approximately 24 hours from time of telephone release or no later than 4:00 p.m. the following business day, if ordered prior to the weekend. If an automated ordering system is used, vendor shall place a phone call or fax to confirm delivery. The vendor shall have the right to specify the order cut off time for next day delivery (e.g. all orders for next day delivery to be placed by 3:00 p.m.). The vendor must have personnel available for telephone releases at all times during normal business hours 8:30 a.m. to 4:00 p.m. If a delivery is called in on a Friday, the delivery will occur no later than the following Monday at 4:00 p.m. Please provide an emergency phone number with 24 hours a day/7 days a week availability which will be accessible for all governmental agencies using this contract.

DISASTERS AND DECLARED EMERGENCIES

All participating entities must be given first priority in times of Disaster or Declared Emergencies. Vendors must provide a 24-hour emergency phone number (land line) available 7 days a week. All bidders are requested to include written procedures with their bid to accommodate deliveries during a Disaster or Declared Emergency.

PENALTY FOR LATE DELIVERIES

In the event that fuel is not delivered within 72 hours or the third business day, the cooperative cities reserve the right to obtain gas and or diesel fuel from an alternate source. If the price is higher, the awarded vendor shall be responsible to pay the difference between the price paid at the alternate source and the bid price that would have been paid on the day of the scheduled delivery and deduct the difference from the next invoice issued to that city.

V. INSURANCE REQUIREMENTS

The Contractor shall not commence work under this contract until required insurance within this contract has been obtained. All insurance coverages shall be with insurance carriers acceptable to the cooperative members represented by Sterling Heights. If any insurance is written with a deductible or self-insured retention, the contractor shall be solely responsible for said deductible or self-insured retention. The purchase of insurance and the furnishing of a certificate of insurance shall not be a satisfaction of the contractor's indemnification of the cooperative membership. The contractor is responsible to meet all MIOSHA requirements for on-the-job safety. The contractor and his subcontractor shall procure and maintain during the life of this contract the following coverages:

Workers Compensation Insurance: The contractor shall procure and maintain during the life of this Contract, Workers' Compensation Insurance, including Employers Liability Coverage, in accordance with all applicable Statutes of the State of Michigan.

Commercial General Liability Insurance: The Contractor shall procure and maintain during the life of this Contract, Commercial General Liability Insurance on an "Occurrence Basis" with limits of liability not less than \$3,000,000.00 per occurrence and aggregate, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions:

- (1) Contractual Liability
- (2) Products and Completed Operations
- (3) Independent Contractors Coverage
- (4) Broad Form General Liability Extensions or equivalent
- (5) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable

Motor Vehicle Liability: The Contractor shall procure and maintain during the life of this Contract Motor Vehicle Liability Insurance, including Michigan No-Fault Coverages, with limits of liability of not less than \$3,000,000.00 per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles and all hired vehicles.

Pollution Liability: The Contractor shall procure and maintain during the life of this contract, a Pollution Liability Policy with limits of liability not less than \$3,000,000.00 per occurrence and aggregate, including, but not limited to, the collection, transportation, storage, and removal of all hazardous waste. Each entity of the Cooperative listed above shall be named as additional insured on said coverage.

Additional Insured: Following the official award of bid by City Council, the Commercial General Liability Insurance, Motor Vehicle Liability and Pollution Liability as described above shall include an Additional Insured endorsement as follows:

"Each entity of the Cooperative listed above, including all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities

and board members, including employees and volunteers thereof. It is understood and agreed by naming each entity of the Cooperative listed above as additional insured, coverage afforded is considered to be primary and any other insurance each entity of the Cooperative listed above may have in effect shall be considered secondary and/or excess.”

Cancellation Notice: Workers Compensation Insurance, Commercial General Liability Insurance, Motor Vehicle Liability Insurance and Pollution Liability as described above shall include an endorsement stating that thirty (30) days advance written notice of cancellation, non-renewal, reduction and/or material change shall be sent to:

City of Sterling Heights
Reference: ITB-SH15-032
James Buhlinger, Purchasing Manager
40555 Utica Road
Sterling Heights, MI 48313

The Contractor shall provide the City of Sterling Heights at the time the Contracts are returned by him for execution, certificates and policies as listed below:

- a. Two (2) copies of Certification of Insurance of contractor's Workers Compensation Insurance;
- b. Two (2) copies of Certification of Insurance for Commercial General Liability Insurance;
- c. Two (2) copies of Certificate of Insurance for Vehicle Liability Insurance;
- d. If so requested, copies of all policies mentioned above will be furnished.

If any of the above coverages expire during the term of this Contract, the Contractor shall deliver renewal certificates and/or policies to the City of Sterling Heights at least ten (10) days prior to the expiration date.

If the required insurance (with the exception of the Additional Insured endorsement) is already in place, please include a copy of the Certificate of Liability Insurance with your bid. However, if required insurance is not already in place when submitting bid, contractors shall include a letter from their insurance agent (labeled Exhibit A) indicating that they will be able to secure a Certificate of Liability Insurance upon award of the contract.

VI. BOND REQUIREMENTS

Bid Bond

Bids must be accompanied by a Bid Bond, Bank Issued Money Order, or Cashier's Check in the amount of five thousand dollars (\$5,000.00) which will be returned to the unsuccessful bidders after the award of the bid. No bid shall be considered unless it is accompanied by the required guaranty. Corporate checks will *not* be accepted as bid security. The successful bidder will be required to enter into an agreement with the Cooperative and the check will be attached thereto and made a part thereof, pending acceptance of the proposal in accordance with City specifications.

VII. SPECIFICATIONS

The governmental entities of Birmingham, Clinton Township, Eastpointe, Farmington Hills, Huron-Clinton Metroparks, Livonia, Madison Heights, Novi, Oakland County, Rochester Hills, Royal Oak, St. Clair Shores, Southfield, Sterling Heights, Troy, Warren, Waterford, and West Bloomfield herein known as the "cooperative" are jointly requesting sealed bid proposals for the purchase of gasoline and diesel fuel, as described below, in truck transport and tank wagon deliveries for the period of **February 1, 2016 through January 31, 2018** with an option to extend for two (2) additional years through mutual consent, under the same terms and conditions. The entities mentioned above have their estimated annual fuel use incorporated into the bid. In addition, there may be approximately 2-3 additional entities that may be included at a later date.

The cooperative reserves the right to extend the contract, exclusively, unless the vendor can show that terms or conditions or their variables within the contract have changed.

TRUCK TRANSPORT ESTIMATED TOTAL ANNUAL REQUIREMENTS

Unleaded 87 Octane	2,079,000	gallons
Unleaded Mid-grade 89 Octane	416,000	gallons
ULS Diesel #2 Premium	375,000	gallons
ULS Diesel #2	624,000	gallons

TANK WAGON ESTIMATED ANNUAL REQUIREMENTS

Unleaded 87 Octane	185,400	gallons
Unleaded Mid-grade 89 Octane	171,800	gallons
ULS Diesel #2 Premium	18,500	gallons
ULS Diesel #2	88,100	gallons
ULS Diesel #2 – Dyed	102,000	gallons
ULS Diesel #1 - Dyed	200	gallons

SPECIFICATIONS

Unleaded gasoline (10% Ethanol)	Minimum octane rating of 87	(R+M)/2
Mid-grade gasoline (10% Ethanol)	Minimum octane rating of 89	(R+M)/2
Ultra Low Sulphur Diesel	Maximum sulphur 15ppm	

All gasoline shall be free of water, suspended matter and strong obnoxious odors and shall meet the standards as per ASTM, D439-83 and all other recognized minimum standards.

Biodiesel fuel: Although currently not being used by the majority of entities, this bid is requesting pricing for biodiesel due to the ongoing changes in fuel over the past several years. Pricing should be included for B-5, B-10 and B-20 biodiesel that meets or exceeds ASTM D6751 specifications. Splash blending is not acceptable.

Diesel fuel: The following specifications should be considered the minimum acceptable. All diesel fuel must meet or exceed the latest ASTM D975 version of standard specification, be free of water, suspended matter and strong obnoxious odors.

	NO. 1	PREMIUM NO. 2		NO. 2
		SUMMER	WINTER	
Gravity, API, Min (ASTM D287)	37	34	36	30
Flash, F., P-M, Min. (ASTM D93)	120-160	155	145	140
Pour Point, F., Max. (ASTM D97)	-25	-10	-20	+10 to -5
Cloud Point, F., Max. (ASTM D2500)	-	0	-15	+15 max
Viscosity @ 40 C., (100 F.) MIN. c St. (ASTM D445) MAX.	1.3 2.1	35 -	33 -	2.0 3.6
Carbon Residue on 10% Bottoms, % Max. (ASTM D524)	0.15	.02	.02	0.35
Ash, % Max. (ASTM D482)	0.01	0.01	0.01	0.01
Corrosion 3 hrs. @ 122 F., Max. (ASTM D130)	1	1	1	1
Distillation (ASTM D86) 10% Recovered, F., Max.	420	413	413	Report
Color, Min. (ASTM D156) Color, Max. (ASTM D1500)	+14 -	- -	- -	- 2.5
Cetane No., (Motor), Min. (ASTM D613) or Cetane Index (ASTM D976)	40.0	45.0	46.0	40.0
Water & Sediment (D96) Max.	trace	0	0	Clear/Bright

All No. 1, No. 2 Premium and No. 2 delivered *must* not exceed 0.0015 percent by weight of sulfur.

VENDOR QUALIFICATIONS

Bids will be accepted only from vendors who are licensed by the State of Michigan as a wholesale distributor. Vendors may be required to submit financial data as required for qualification. Please submit all sources of supply and approximate volume of annual business currently transacted in Southeast Michigan where indicated on your bid form.

MISCELLANEOUS

The vendor will be responsible for any spillage. If the governmental entities need to clean or otherwise remedy the results of a spill, the vendor will be responsible for all costs incurred, to notify the Department of Natural Resources and to complete and file all required forms. Proof of all such actions are to be provided to cooperative member concerned. Inasmuch as the fuel to be supplied under this agreement is for Police, Fire and other emergency services, the successful bidder shall agree to designate the members of this cooperative as priority services.

In any case where vehicle performance is poor and fuel quality is suspect, the vendor shall provide the necessary technical assistance and independent testing to determine the cause and/or solution to the problem. Testing would be at vendor's expense, if fuel is determined to be of poor quality.

The vendor is responsible for all expense to remove defective fuel and repair equipment. All defective fuel would be replaced with fuel meeting specifications and priced at original delivery date. If requested by agency, driver to provide fuel sample before fuel is dropped into tank. Agency to provide container and sample.

In the event any member of the cooperative elects to have an additive added to their diesel/gasoline supply, the rate for the next highest grade will be charged. Example: Diesel #2 with additives would be charged at the rate for Premium Diesel #2.

Indicate on the Bid Form additional charges, if any, for a split order of fuel to equal the vendor's minimum order (i.e. 4,000 gallons of diesel and 4,000 gallons of unleaded) at the same address.

METHOD OF AWARD

The Detroit, Michigan Market OPIS Contract - Rack Average will be used as a point of reference in evaluating bid prices and as the method for price adjustments during the term of the agreement. Please submit your bid on the basis of the OPIS for Detroit Michigan Rack Average on prices that are contained in the 10:00:01, **October 6, 2015** publication date. Unit prices and factors prevail and the cooperative will correct any extension errors.

Please base pricing for truck transport on minimum delivery of 8,000 gallons per drop. Indicate any short load charges for quantities between 5,000 and 8,000 gallons. Base pricing for tank wagon on minimum delivery of 250 gallons.

Use Diesel #2 OPIS Index for No. 1 and No. 2 Premium Diesel if *not* shown on the OPIS Index.

Award will be made on a joint basis. However, separate purchase orders will be issued by each member of the cooperative, subject to approval of respective elected officials.

The successful bidder shall have the option to extend the terms of the agreement to other governmental units in the Metropolitan area upon approval of the Purchasing Manager of the City of Sterling Heights.

The members of the cooperative reserve the right to accept or reject any or all bids, waive irregularities or informalities, award to other than the low bidder, to split award and to accept any bid considered to be in the best interests of the members. All bids shall be in accordance with the specifications and shall be submitted on the bid forms contained herein. Any exceptions shall be so noted.

The cooperative members individually reserve the right to withdraw from this contract if their governing body will not approve the contract as awarded and in the event of the abandonment of full storage tanks. The vendor is required to hold prices for the other cooperative members. If more than two (2) members cannot obtain approval from their respective governing body, the cooperative bid will be void.

VIII. BID FORM

The undersigned hereby declares that the instructions and specifications have been carefully examined and that **TRUCK TRANSPORT AND TANK WAGON DELIVERIES OF UNLEADED GASOLINE AND DIESEL FUEL** will be furnished for the prices set forth in this bid. It is understood and agreed that all bids are **F.O.B. DESTINATION** and shall remain in effect for at least ninety (90) days from the date of the bid opening to allow for award of bid. Unit prices and factors prevail and the cooperative will correct extension errors. Bid prices shall remain firm for the two-year contract beginning on February 1, 2016 through January 31, 2018 and any extension options that may be agreed upon.

Enclose the written policy you have in place for times of disaster or declared emergencies.

Realistic delivery time in hours: _____

List 24/7 emergency contact and number: _____

Indicate split order charges, if any: _____

Indicate if payment by a Purchasing Card is acceptable: _____

List Cards Accepted: _____

MSDS included? _____

How did you receive notification of this bid? _____

How did you obtain the bid specifications? If bid documents were downloaded from a website, please list: _____

The undersigned certifies that he has downloaded all documents/addendums associated with this bid from the MITN website.

Company _____

Address _____

City/State/Zip _____

Representative/Title _____

Telephone/Fax _____

E-Mail Address/Website _____

Terms _____

Signature/Date _____

This form **must** be completed and returned with your bid.

VIII. BID FORM — TRUCK TRANSPORT

	Est. Usage*	Average	±	Price/gallon	Ext. Total#
Unleaded 87	2,079,000	\$ _____	_____	\$ _____	\$ _____
Unleaded Mid-Grade 89	416,000	\$ _____	_____	\$ _____	\$ _____
ULS Premium Diesel #2	375,000	\$ _____	_____	\$ _____	\$ _____
ULS Diesel #2	624,000	\$ _____	_____	\$ _____	\$ _____
				<i>Total:</i>	\$ _____

Please base pricing on minimum delivery of 8,000 gallons per drop. Indicate any short load charges for quantities between 5,000 and 8,000 gallons.

Short load charge, if any: _____

1. Identify all sources of supply: _____

2. Approximate annual volume in gallons, in Southeast Michigan: _____

* Estimated yearly product usage of cooperative in gallons

Extended total is calculated by multiplying estimated yearly product usage by price per gallon

This form **must** be completed and returned with your bid.

VIII. BID FORM — TANK WAGON

	Est. Usage*	Average	±	Price/gallon	Ext. Total#
Unleaded 87	185,400	\$ _____	_____	\$ _____	\$ _____
Unleaded Mid-Grade	171,800	\$ _____	_____	\$ _____	\$ _____
ULS Premium Diesel #2	18,500	\$ _____	_____	\$ _____	\$ _____
ULS Diesel #2	88,100	\$ _____	_____	\$ _____	\$ _____
ULS Dyed Diesel #2	102,000	\$ _____	_____	\$ _____	\$ _____
ULS Dyed Diesel #1	200	\$ _____	_____	\$ _____	\$ _____
				<i>Total:</i>	\$ _____

The term "tank wagon" is intended to describe delivery in lots of 5,000 or less. Please specify minimum delivery quantity: _____

1. Identify all sources of supply: _____

2. Approximate annual volume in gallons, in Southeast Michigan: _____

* Estimated yearly product usage of cooperative in gallons

Extended total is calculated by multiplying estimated yearly product usage by price per gallon

This form **must** be completed and returned with your bid.

IX. HOLD HARMLESS AND INDEMNITY

To the fullest extent permitted by law, the vendor expressly agrees to indemnify and hold the City of Sterling Heights (City), its elected and appointed officials, employees and volunteer and others working on behalf of the City, harmless from and against all loss, cost, expense, damage, liability or claims, whether groundless or not, arising out of the bodily injury, sickness or disease (including death resulting at any time therefrom) which may be sustained or claimed by any person or persons, or the damage or destruction of any property, including the loss of use thereof, based on any act or omission, negligent or otherwise, of contractor or anyone acting in its behalf in connection with or incident to this contract or the work to be performed hereunder, except that the contractor shall not be responsible to the City on indemnity for damages caused by or resulting from the City's sole negligence; and the Vendor shall, at its own cost and expense, defend any such claim and any suit, action, or proceeding which may be commenced hereunder, and the Vendor shall pay any and all judgments which may be recovered in any such suit, action or proceeding, and any and all expense, including, but not limited to, costs, attorneys' fees and settlement expenses which may be incurred therein.

PLEASE PRINT:

Company Name _____

Authorized Representative _____

Signature/Date _____

This form **must** be completed and returned with your bid.

X. NON-IRAN LINKED BUSINESS CERTIFICATION

Pursuant to Michigan law before accepting any bid or proposal or entering into any contract for goods and services with any prospective Vendor, the Vendor must certify that it is not an "Iran Linked Business".

By signing below, I certify and agree on behalf of myself and the company submitting this proposal the following: (1) that I am duly authorized to legally bind the company submitting this proposal; and (2) that the company submitting this proposal is not an "Iran Linked Business," as that term is defined in Section 2(e) of the Iran Economic Sanctions Act, being Michigan Public Act No. 517 of 2012; and (3) That I and the company submitting this proposal will immediately comply with any further certifications or information submissions requested by the City in this regard."

PLEASE PRINT:

Company Name _____

Authorized Representative _____

Signature/Date _____

This form **must** be completed and returned with your bid.

XI. REFERENCES

List at least three references with whom you have had similar contracts during the past three years. Include letters of reference when available.

1. Company or City _____

Contact Name _____

Telephone Number _____

E-mail _____

2. Company or City _____

Contact Name _____

Telephone Number _____

E-mail _____

3. Company or City _____

Contact Name _____

Telephone Number _____

E-mail _____

Bidder's Signature _____ Date _____

Company _____

This form **must** be completed and returned with your bid.

XII. BID SHIPPING LABEL

Please cut below dotted line and affix to mailing envelope or package

Bid Documents Enclosed

From:

Company Name: _____

Contact Person: _____

Phone Number: _____

Solicitation Title: TRUCK TRANSPORT AND TANK WAGON
DELIVERIES OF UNLEADED GASOLINE
AND DIESEL FUEL

**Solicitation
Number:** ITB-SH15-032

Due Date: OCTOBER 13, 2015

Time: 2:30 p.m.

Deliver To:

City of Sterling Heights

Office of the City Clerk

Attn: Mark Carufel, City Clerk

40555 Utica Road

Sterling Heights, MI 48313

XIII. ATTACHMENTS

- A – Truck Transport – Usage Summary
- A1 – Truck Transport Estimated Annual Usage
- B – Tank Wagon – Usage Summary
- B1 – Tank Wagon Estimated Annual Usage

**ATTACHMENT A
TRUCK TRANSPORT ESTIMATED ANNUAL USAGE**

<u>Location</u>	<u>Tank Size</u>	<u>Above/Below Ground</u>	<u>Type of Product</u>	<u>Annual Est. Usage</u>
Birmingham, City of 851 S. Eton Road Birmingham, MI 48009	11,600 6,000	Below Below	Regular Unleaded ULS Diesel #2	55,000 30,000
Clinton Township Water Dept. 24230 Shook Road Clinton Township, MI 48035	10,000 10,000	Below Below	Regular Unleaded ULS Diesel #2	130,000 42,000
Clinton Township Water Dept. 17825 18 Mile Rd. Clinton Township, MI 48038	2,000	Below	ULS Diesel #2	(filled by portable tank from Shook Road)
Eastpointe, City of Department of Public Works 17800 10 Mile Road Eastpointe, MI 48021	8,000	Below	Regular Unleaded	60,000
Farmington Hills, City of Police Station 31655 Eleven Mile Road Farmington Hills, MI 48336	10,000 10,000	Below Below	Regular Unleaded Regular Unleaded	87,000
Farmington Hills, City of DPW 27245 Halsted Farmington Hills, MI 48331	8,000 12,000 <i>(20k tank that is compartmentalized)</i>	Below Below	Regular Unleaded ULS Premium Diesel #2	25,000 35,000
Livonia, City of 33000 Civic Center Drive Livonia, MI 48154	10,000 10,000	Below Below	Regular Unleaded ULS Diesel #2	160,000 30,000
Livonia, City of Public Service Division 12973 Farmington Road Livonia, MI 48150	10,000 10,000	Below Below	Regular Unleaded ULS Diesel #2	80,000 80,000
Madison Heights, City of Department of Public Services 801 Ajax Drive Madison Heights, MI 48071	10,000 12,000	Below Below	ULS Diesel #2 Mid-Grade Unleaded	34,000 19,000
Madison Heights, City of Police Department 280 W. Thirteen Mile Road Madison Heights, MI 48071	10,000	Below	Mid-Grade Unleaded	32,000
Novi, City of 26300 Delwal Novi, MI 48375	10,000 10,000 10,000	Below Below Below	Regular Unleaded Regular Unleaded ULS Diesel #2	115,000 <i>(combined)</i> 42,000
Oakland County Central Garage 1200 North Telegraph Road Building 38E Pontiac, MI 48341	20,000 20,000 20,000 12,000	Below Below Below Below	Regular Unleaded	450,000
Rochester Hills, City of Department of Public Services 511 E. Auburn Road Rochester Hills, MI 48037	15,000 15,000	Below Below	ULS Premium Diesel #2 Regular Unleaded	70,000 60,000
Royal Oak, City of Motor Pool Garage 1600 N. Campbell Road Royal Oak, MI 48067	20,000 10,000 10,000	Below Below Below	Mid-Grade Unleaded ULS Premium Diesel #2 ULS Premium Diesel #2	125,000 55,000 55,000

**ATTACHMENT A
TRUCK TRANSPORT ESTIMATED ANNUAL USAGE**

<u>Location</u>	<u>Tank Size</u>	<u>Above/Below Ground</u>	<u>Type of Product</u>	<u>Annual Est. Usage</u>
St. Clair Shores, City of Department of Public Works 19800 Pleasant St. Clair Shores, MI 48080	12,000 6,000	Below Below	Regular Unleaded ULS Premium Diesel #2	105,000 62,000
Southfield, City of DPS Facility 25501 Clara Lane Southfield, MI 48034	20,000 20,000	Below Below	Mid-Grade Unleaded ULS Diesel #2	60,000 85,000
Southfield, City of Public Safety Building 26000 Evergreen Southfield, MI 48076	20,000	Below	Mid-Grade Unleaded	180,000
Sterling Heights, City of Department of Public Works 7200 Eighteen Mile Road Sterling Heights, MI 48314	25,000 20,000	Below Below	Regular Unleaded ULS Diesel #2	190,000 75,000
Troy, City of 500 W. Big Beaver Troy, MI 48084	12,000	Below	Regular Unleaded	94,000
Troy, City of Department of Public Works 4693 Rochester Road Troy, MI 48098	12,000 12,000	Below Below	Regular Unleaded ULS Diesel #2	50,000 76,000
Warren, City of Department of Public Works 12801 Stephens Warren, MI 48089	10,000 10,000 10,000	Below Below Below	Regular Unleaded Regular Unleaded ULS Premium Diesel #2	46,000 42,000 78,000
Warren, City of Police Department 29900 Civic Center Blvd. Warren, MI 48093	10,000 10,000	Below Below	Regular Unleaded Regular Unleaded	65,000 65,000
Warren, City of Sanitation 25601 Flanders Warren, MI 48093	12,000	Above	ULS Diesel #2	130,000
Waterford Township 5240 Civic Center Drive Waterford, MI 48239	10,000 6,000	Below Below	Regular Unleaded ULS Premium Diesel #2	125,000 20,000
West Bloomfield Township Police Department 4430 Walnut Lake Road West Bloomfield, MI 48323	10,000	Below	Regular Unleaded	75,000

**TRUCK TRANSPORT - USAGE SUMMARY
ATTACHMENT A1**

<u>Location</u>	Unleaded 87 Octane	Mid-Grade Unleaded 89 Octane	ULS Premium Diesel #2	ULS Diesel #2
Birmingham	55,000			30,000
Clinton Township	130,000			42,000
Eastpointe	60,000			
Farmington Hills	112,000		35,000	
Livonia	240,000			110,000
Madison Heights		51,000		34,000
Novi	115,000			42,000
Oakland County	450,000			
Rochester Hills	60,000		70,000	
Royal Oak		125,000	110,000	
St. Clair Shores	105,000		62,000	
Southfield		240,000		85,000
Sterling Heights	190,000			75,000
Troy	144,000			76,000
Warren	218,000		78,000	130,000
Waterford	125,000		20,000	
West Bloomfield	75,000			
Totals:	2,079,000	416,000	375,000	624,000

**ATTACHMENT B
TANK WAGON ESTIMATED ANNUAL USAGE**

<u>Location</u>	<u>Tank Size</u>	<u>Above/Below Ground</u>	<u>Type of Product</u>	<u>Annual Est. Usage</u>
Birmingham, City of Lincoln Hills Golf Course 2666 W. Fourteen Mile Road Birmingham, MI 48009	500 500	Below Below	Regular Unleaded ULS Dyed Diesel #2	1,500 1,000
Birmingham, City of Springdale Golf Course 316 Strathmore Birmingham, MI 48009	500 500	Below Below	Regular Unleaded ULS Dyed Diesel #2	1,500 1,000
Eastpointe, City of Department of Public Works 17800 10 Mile Road Eastpointe, MI 48021	2,000	Above	ULS Premium Diesel #2	17,000
Eastpointe, City of Fire & Rescue Department 16370 9 Mile Road Eastpointe, MI 48021	560	Above	ULS Premium Diesel #2	3,500
Farmington Hills, City of Parks & Golf Maintenance 38111 Interchange Drive Farmington Hills, MI 48331	3,000 500	Below Above	Regular Unleaded ULS Premium Diesel #2 (in colder months Winter Blend Diesel)	18,500 3,500
HC Metropark - Lake St. Clair 31300 Metro Parkway Mt. Clemens, MI 48045	4,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	11,000 5,000
HC Metropark - Wolcott Mill Farm Center 65775 Wolcott Road Ray, MI 48096	500 500	Above Above	Regular Unleaded ULS Dyed Diesel #2	2,700 800
HC Metropark - Wolcott Golf Course 21690 27 Mile Road Ray, MI 48096	500 500	Temporary Above Temporary Above	Regular Unleaded ULS Dyed Diesel #2	3,000 1,400
HC Metropark - Stony Creek Golf Course 5140 Main Parkway Shelby Township, MI 48316	1,000 1,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	1,100 1,300
HC Metropark - Stony Creek Service Yard 4250 26 Mile Road Shelby Township, MI 48316	4,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	20,000 6,500
HC Metropark - Indian Springs Service Area 5200 Indian Trail White Lake, MI 48386	3,000	Under	Regular Unleaded	3,000
HC Metropark - Indian Springs Golf Course 5100 Indian Trail White Lake, MI 48386	1,000 1,000	Under Under	Regular Unleaded ULS Dyed Diesel #2	8,100 3,200
HC Metropark - Kensington Service Yard 2240 W Buno Road Milford, MI 48380	4,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	25,000 8,000
HC Metropark - Kensington Golf Course 13760 High Ridge Drive Brighton, MI 48114	2,500 1,000	Under Under	Regular Unleaded ULS Dyed Diesel #2	6,000 2,700
HC Metropark - Kensington Boat Rental 2240 West Buno Rd Milford, MI 48380	500	Above	Regular Unleaded	500
HC Metropark - Huron Meadows Service Yard 8765 Hammel Road Brighton, MI 48116	1,000 1,000	Under Under	Regular Unleaded ULS Dyed Diesel #2	3,100 3,500

**ATTACHMENT B
TANK WAGON ESTIMATED ANNUAL USAGE**

HC Metropark - Hudson Mills Golf Course 4800 Dexter-Pinckney Road Dexter, MI 48130	2,500 1,000	Under Under	Regular Unleaded ULS Dyed Diesel #2	2,900 1,400
HC Metropark - Hudson Mills Service Yard 8801 North Territorial Dexter, MI 48130	2,500 1,500	Above Above	Regular Unleaded ULS Dyed Diesel #2	9,100 3,100
HC Metropark - Lower Huron Service Yard 17845 Savage Road Belleville, MI 48111	4,000 2,500 1,000	Under Under Under	Regular Unleaded ULS Dyed Diesel #2 Regular Unleaded	9,000 2,900 3,200
HC Metropark - Willow Service Yard 23140 Interloop Rd New Boston, MI 48164	4,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	11,500 7,700
HC Metropark - Willow Golf Course 22900 Huron River Drive New Boston, MI 48164	1,000 1,000	Under Under	Regular Unleaded ULS Dyed Diesel #2	5,000 2,900
HC Metropark - Lake Erie Service Yard 32481 West Jefferson Brownstown, MI 48173	4,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	12,200 1,700
HC Metropark - Lake Erie Golf Course 14786 Lee Road Browntown, MI 48173	4,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	5,000 2,200
Livonia, City of Fox Creek Golf Course 36000 Seven Mile Road Livonia, MI 48152	500 500	Above Above	Regular Unleaded ULS Dyed Diesel #2	3,500 2,500
Livonia, City of Idylwyld Golf Course 35786 Five Mile Road Livonia, MI 48150	2,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	2,500 2,000
Livonia, City of Whispering Willows Golf Course 20500 Newburgh Road Livonia, MI 48152	2,000 2,000	Above Above	Regular Unleaded ULS Dyed Diesel #2	4,500 2,500
St. Clair Shores, City of St. Clair Shores Country Club 22185 Masonic St. Clair Shores, MI 48082	1,000 1,000	Above Above	Regular Unleaded ULS Premium Diesel #2	8,000 4,500
Southfield, City of Fire Headquarters 24477 Lahser Road Southfield, MI 48033	1,000	Above	ULS Premium Diesel #2	7,500
Station 1 Station 2 Station 3 Station 4	1,000 1,000 1,000 1,000	Above Above Above Above	ULS Diesel #2 ULS Diesel #2 ULS Diesel #2 ULS Diesel #2	5,500 6,000 6,000 6,000
Southfield, City of Public Safety Building / Park Services 26000 Evergreen Southfield, MI 48076	500 3,000	Above Above	ULS Diesel #2 ULS Diesel #2	4,000 500
Sterling Heights, City of Fire Station #2 12825 Nineteen Mile Road Sterling Heights, MI 48313	1,000	Above	ULS Diesel #2	4,300

**ATTACHMENT B
TANK WAGON ESTIMATED ANNUAL USAGE**

Sterling Heights, City of Fire Station #3 5250 Fifteen Mile Road Sterling Heights, MI 48310	1,000	Above	ULS Diesel #2	4,500
Sterling Heights, City of Fire Station #4 12850 Fifteen Mile Road Sterling Heights, MI 48312	1,000	Above	ULS Diesel #2	3,700
Sterling Heights, City of Fire Station #5 41627 Ryan Road Sterling Heights, MI 48314	generator	Above	ULS Dyed Diesel #2 off-road diesel	0
Sterling Heights, City of Booster Station 2460 Dobry Drive Sterling Heights, MI 48314	generator	Above	ULS Dyed Diesel #2 off-road diesel	300
Sterling Heights, City of Police Department 40333 Dodge Park Sterling Heights, MI 48313	generator	Above	ULS Dyed Diesel #2 off-road diesel	400
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Troy, City of 500 W. Big Beaver Troy, MI 48084	12,000	Below	Regular Unleaded	4,000
Troy DPW, City of 4693 Rochester Road Troy, MI 48098	12,000	Below	ULS Diesel #2	3,000
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Warren, City of Parks & Recreation 32601 Warkop Warren, MI 48093	4,000 2,000	Above Above	Mid-Grade Unleaded ULS Diesel #2	8,000 22,000
Warren, City of Waste Water Treatment Plant 32360 Warkop Warren, MI 48093	6,000 (14 Mile) 125 (14 Mile) 1,050 (9 Mile)	Below Above Above	ULS Dyed Diesel #2 ULS Dyed Diesel #1 ULS Dyed Diesel #2	5,000 200 1,000
Warren, City of Police Department 29900 Civic Center Blvd. Warren, MI 48093	6,000	Below	ULS Diesel #2 - Dyed	6,000
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Waterford Township 5240 Civic Center Drive Waterford, MI 48239	1,000	Above	ULS Premium Diesel #2	3,000
Waterford Township Fire Station #3 3435 Elizabeth Lake Road Waterford, MI 48328	1,000	Above	ULS Diesel #2	7,000
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West Bloomfield Township Fire Station #1 4601 Orchard Lake Road West Bloomfield, MI 48323	500 500	Below Below	Mid-grade Unleaded ULS Diesel #2	2,000 2,000
West Bloomfield Township Fire Station #2 6925 West Maple West Bloomfield, MI 48322	500	Below	ULS Diesel #2	3,200

**ATTACHMENT B
TANK WAGON ESTIMATED ANNUAL USAGE**

West Bloomfield Township Fire Station #3 3340 Green Lake Road West Bloomfield, MI 48324	500	Below	ULS Diesel #2	2,500
West Bloomfield Township Fire Station #4 5842 Greer Road West Bloomfield, MI 48324	500 500	Below Below	Mid-grade Unleaded ULS Diesel #2	1,500 1,500
West Bloomfield Township Fire Station #5 5425 W. Maple West Bloomfield, MI 48322	500 500	Below Below	Mid-grade Unleaded ULS Diesel #2	3,300 3,400
West Bloomfield Township Fire Station #9 3300 Orchard Lake Road West Bloomfield, MI 48324	500	Below	ULS Diesel #2	3,000
West Bloomfield Township Police Department 4430 Walnut Lake Road West Bloomfield, MI 48323	2,000	Below	ULS Dyed Diesel #2	1,000
West Bloomfield Township Township Hall 4550 Walnut Lake Road West Bloomfield, MI 48323	300	Below	ULS Dyed Diesel #2	500
West Bloomfield Township Water and Sewer Department 2400 Haggerty West Bloomfield, MI 48323	3,000 5,000	Below Below	ULS Dyed Diesel #2 Mid-grade Unleaded	4,000 157,000

**TANK WAGON - USAGE SUMMARY
ATTACHMENT B1**

<u>Location</u>	Unleaded 87 Octane	Mid-Grade Unleaded 89 Octane	ULS Premium Diesel #2	ULS Diesel #2	ULS Dyed Diesel #2	ULS Dyed Diesel #1
Birmingham	3,000				2,000	
Eastpointe					20,500	
Farmington Hills	18,500		3,500			
Huron-Clinton Metroparks	141,400				54,300	
Livonia	10,500				7,000	
St. Clair Shores	8,000		4,500			
Southfield			7,500	28,000		
Sterling Heights				12,500	700	
Troy	4,000			3,000		
Warren		8,000		22,000	12,000	200
Waterford			3,000	7,000		
West Bloomfield		163,800		15,600	5,500	
Totals:	185,400	171,800	18,500	88,100	102,000	200