

CITY OF YANKTON

SOUTH DAKOTA

SPECIFICATIONS AND BID FORM

FOR

**ANNUAL SUPPLY OF TRANSPORT - TANKWAGON  
PETROLEUM PRODUCTS**

For  
Department of Public Services  
Street Division

CITY OF YANKTON, OWNER  
PO BOX 176  
YANKTON, SOUTH DAKOTA 57078

BID SUBMITTAL TO  
CITY OF YANKTON  
ATTN: CITY FINANCE OFFICER  
PO BOX 176  
YANKTON, SOUTH DAKOTA 57078

BID OPENING:  
June 1, 2016  
3:00 P.M.  
BID AWARD  
June 13, 2016

Publishing Dates: May 19 and May 26, 2016

NOTICE TO BIDDERS

Sealed bids will be received by the City Commission of the City of Yankton, South Dakota, at 416 Walnut Street, Yankton, South Dakota, at the Office of the City Finance Officer of said City until 3:00 P.M. or may be hand delivered to the place of opening at 3:00 P.M. on the 1st day of June, 2016, at which time they will be publicly opened and read in the Second Floor Meeting Room of City Hall, Yankton, South Dakota. Disposition of said bid will be held on the 13th day of June, 2016 at 7:00 P.M. in the City of Yankton Community Meeting Room located in the Technical Education Center at 1200 W. 21<sup>st</sup> Street, Yankton, South Dakota.

Bids will be received on the following:

**ANNUAL SUPPLY OF TRANSPORT – TANKWAGON PETROLEUM PRODUCTS**

Copies of the specifications may be obtained at the Office of the Manager of Public Works, 700 Levee Street, Yankton, South Dakota 57078 or by telephoning (605) 668-5211.

All bids must be submitted on forms provided by the City of Yankton.

The City of Yankton, South Dakota reserves the right to reject any or all bids and to waive any informalities therein to determine which is the best and the lowest bid, and to approve the bond, if required.

Adam Haberman, PE  
Director of Public Works  
City of Yankton, South Dakota

Dated: May 19, 2016

**-THE CITY OF YANKTON IS AN EQUAL OPPORTUNITY EMPLOYER-**

SPECIFICATIONS FOR  
**ANNUAL SUPPLY OF TRANSPORT – TANKWAGON  
PETROLEUM PRODUCTS**  
DEPARTMENT OF PUBLIC SERVICES  
STREET DIVISION

**GENERAL PROVISIONS:**

INTENT:

The intent of these specifications is to describe the approximate annual quantities of the various gasolines, grades of diesel fuel, and lubricants used by the Department of Public Works throughout the year. The products supplied shall meet the following minimum specifications.

STANDARDS:

The products supplied shall be of the highest standard of quality and in full compliance with the most current applicable standard for product supplied and meeting the following minimum supplementary specifications.

SPECIAL CONDITIONS:

The manufacturers recommended lubrication specifications shall be considered in determining the best bid.

COMPOSITION OF THE BID:

The bid price shall include all labor, transportation or shipping charges, services, applicable taxes, and fees required to fully and properly deliver the specified supplies, FOB, City of Yankton, South Dakota.

The prices quoted on the bid schedule shall be firm annual quotes from July 1, 2016, to July 1, 2017 and shall be the total price as stipulated above.

BID FORMS:

All bidders must use the forms provided by the City of Yankton.

Bidders must submit completed bid proposal forms in a sealed envelope or packet clearly marked on the outside: "**BID FOR ANNUAL SUPPLY OF TRANSPORT - TANKWAGON PETROLEUM PRODUCTS**".

Additional specifications and bid proposal forms may be obtained at the Office of the Manager of Public Works, 700 Levee Street, Yankton, South Dakota 57078 or by phoning (605) 668-5211.

BID CLARIFICATION:

Bidders may contact the Public Works Manager at (605) 668-5211 for additional clarification of these specifications.

Request for such clarification should reach the Public Works Manager not later than seven (7) days before the date on which bids are due.

Prior to submission of bids, any ambiguities in the specifications shall be brought to the attention of the Manager of Public Works. If necessary, an addendum will be issued to give effect to such clarification.

DELIVERY:

The delivery of all petroleum products shall be on an as needed basis. The Department of Public Works, Street Division, will request the quantities desired, the supplier will be required to ship the quantity of product so desired and deliver the same as described in the supplemental specifications.

Transport load consists of 4,000 gallons of either straight or mixed loads.

Loads should be delivered before 2:00 PM - Monday through Friday.

TAXATION:

Because of the Gasoline and Diesel Fuel Excise Taxes, the City of Yankton is requiring the wholesaler to allow the City to purchase gasoline and diesel fuel tax-free. Under Section 6416 of the Internal Revenue Code the wholesaler may allow local governments to purchase these fuels tax-free. The wholesaler is then responsible for filing for the tax refund.

The City of Yankton will issue a statement to the wholesaler per the requirements of Section 6416 of the Internal Revenue Code.

PAYMENT:

Payment for the various products shall be cash upon the delivery, and acceptance of the product by the City of Yankton in accordance with the following policy.

It is the policy of the City of Yankton to approve all bills on the 2nd Monday of each month and mail checks on the following Thursday. Therefore, all requests for payment must be received by the City of Yankton by the twenty-fifth day of each month in order to process the request on the regularly scheduled payment date. Should the request for payment be made after the date specified payment will not be made until the following month. The contractor shall be required to include any additional costs associated with this schedule in his bid.

END OF GENERAL PROVISIONS

## **DETAILED PETROLEUM SPECIFICATIONS:**

### GASOLINE:

In transport lots, shall meet Federal standards for lead-free grade gasoline. The City uses approximately 70,000 gallons of unleaded gasoline per year. Delivery shall be either transport or tank wagon as requested by the Street Division.

### DIESEL FUEL:

Both No. 1 & No. 2 grades conforming to ASTM specifications and API standards. The fuel shall not contain more than 0.25% sulfur. The City uses approximately 55,000 gallons of dyed Nos. 1 & 2 diesel fuel per year and approximately 15,000 gallons of clear or highway Nos. 1 & 2 per year. Delivery shall be either transport or tank wagon as requested by the Street Division.

### STORAGE CAPACITY:

The City of Yankton has underground storage capacity of 10,000 gallons for lead-free gasoline, 10,000 gallons for dyed diesel fuel, 6,000 gallons clear diesel fuel, all located at the Central Garage and 300 gallons unleaded fuel storage at the Cemetery, 1,000 gallons of diesel fuel at the Sanitary Landfill, 860 gallons of unleaded gas, 560 gallons of diesel fuel at the Municipal Golf Course, 200-300 gallon diesel fuel generator at the Water Plant, 2000 gallons diesel at Chan Gurney Airport, 10,000 dyed diesel and 10,000 gallons unleaded at the Park Shop. Subject to change.

END DETAILED SPECIFICATIONS

BID FORM

**ANNUAL SUPPLY OF TRANSPORT – TANKWAGON  
PETROLEUM PRODUCTS  
DEPARTMENT OF PUBLIC SERVICES  
STREET DIVISION**

DATE: \_\_\_\_\_

Proposal of \_\_\_\_\_ (hereinafter called "Bidder") a corporation, organized and existing under the laws of the State of \_\_\_\_\_ a partnership, or an individual doing business as \_\_\_\_\_.

To: City Finance Officer  
City of Yankton  
Yankton, South Dakota

Proposals to be filed  
not later than 3:00 PM  
on June 1, 2016

Gentlemen:

The bidder, in compliance with your invitation to bid for the furnishing of an annual supply of petroleum products to the City of Yankton, Department of Public Works, Yankton, South Dakota, having examined the specifications, and being familiar with all of the conditions surrounding the supplying of the proposed products, hereby proposes to furnish said product, in accordance with the contract documents, for a period of one (1) year, and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

The undersigned bidder does hereby declare and stipulate that each proposal is made in good faith, without collusion or connection with any other person or persons bidding for the same work, and that it is made in pursuance of and subject to the general provisions and the detailed specifications, pertaining to the work to be done, all of which have been examined by the undersigned.

He agrees that the delivery will be made for a period of one (1) year, starting on July 1, 2016, and ending July 1, 2017, and that shipments of the various products bid will be as requested by the Department of Public Works - Street Division.

All the various facets of work enumerated in the contract documents with their individual jobs and overhead, whether specifically mentioned, included by implication or appurtenant thereto, are to be performed by the Supplier under the items listed in the bid schedule, irrespective of whether it is named in said list.

The Bidder hereby agrees to commence work under this contract on July 1, 2016, and to fully provide all services and products until July 1, 2017. The Bidder hereby agrees to perform all work and to supply the products described in the specifications for the following amounts (Bidders have the option of bidding on any or all items specified):

PRICE INFORMATION:

Prices for gasoline and diesel/heating fuel are to be computed using the "price adjustments" method set forth herein.

The total price of the product delivered to destination shall consist of two components. These components are:

- A. Base Price (OPIS and all applicable taxes, including fuel tank clean up fee)
- B. Bid Price (Vendor Margin which includes all costs other than those in Base Price above)

BASE PRICE:

The base price shall be the average price for each grade of fuel reported by an industry daily publication entitled "Oil Price Information Service" (OPIS) plus any applicable taxes or EPA charges. The price published in the Pad 2 report for each fuel, for Yankton will be the base price depending on the origin of fuel. In the designated area below, please indicate origin of fuel. This will be the determining factor from which the OPIS price will be based. OPIS is published daily by United Communications Group 11300 Rockville Pike, Suite 1100, Rockville, Maryland 20852-3030.

BID PRICE:

The bid price shall be the margin the bidder quotes above the base price. The bid price shall be firm for the full term of the contract.

Bidders shall indicate only the bid price on the pricing schedules provided at the end of this packet. Do not indicate the total price per gallon. *The first column, which is bold and italicized, is for City use only.* This area shall be used to list the OPIS price for a designated time period for evaluation purposes only.

All bid prices are to be expressed as a decimal. For example:

If the bid price is five and three quarter's cent per gallon, express as 0.0575. If the bid price is three quarters of a cent per gallon, express as 0.0075.

PRICE ADJUSTMENT:

**The base price shall be adjusted daily. The adjustments for the day will be made immediately upon receipt of "OPIS".**

In the event that "OPIS" is not published for a period of time, the average price indicated in the last published edition shall apply until the next published issue is received.

In the event that "OPIS" cease publication, change method of publishing prices, or change product designations as currently listed, an agreement may be made by the parties on a new price determination method during the contract period or the contract shall be terminated.

**Tankwagon and Transport Dyed #2 Fuel, Undyed #2 Fuel, Gasoline, Dyed #1 Fuel and Undyed #1 Fuel - The price will be adjusted in dollars, up or down in an amount equal to the average price change for the product as published by the Oil Price Information Service daily.**

When the Oil Price Information Service publishes a change of product cost, vendors will be authorized to invoice City accounts the adjusted price for orders received. However, product is to be billed at the price in effect on the date the product was ordered, not when it is delivered.

If the open market price in the local area covered by a specific contract is \$.05 or more cents per gallon under the vendor's price, a state agency may purchase the less expensive product after first giving the vendor an opportunity to meet the lower price.

The City of Yankton will be exempt from federal tax for all fuel purchased. Federal tax exemption number is ID#46-000567. Exemption Certificates will be furnished when requested.

DELIVERY:

All deliveries are FOB destination and shall be made within 24 hours from the date of order.

Delivery charges are included in the bid price and no other shipping or transportation charges will be paid by the City.

Tax which will be included in base price will be as listed below:

Dyed #1 & #2	Federal Tax Exempt State Tax None	Fuel Tank Clean Up .02	=.02
Undyed #1 & #2	State Tax .28	.02	=.30
Gasoline Non-Leaded	State Tax .28	.02	=.30

UNIT OF MEASURE:

All fuel and gasoline shall be measured in US gallons. For tank wagon deliveries, the contractor shall provide metered delivery tickets, if possible, to certify the actual volume of bulk fuel delivered. For transport truck deliveries, the contractor shall not proceed with delivery until the using agency has measured the volume existing in their storage tank immediately prior to delivery. When the delivery is complete, the agency shall measure the volume in the storage tank to verify the actual volumes of bulk fuel delivered.



EVALUATION:

Evaluation of this invitation to bid for the procurement of the various types of fuel shall be based on the vendor's price plus "OPIS" on 2016-2017.

	<i>For City Only OPIS</i>	Vendor Margin Bid Price
GASOLINE:		
Lead Free (Transport)	\$_____gal	\$_____gal
Lead Free (Tank Wagon)	\$_____gal	\$_____gal
DIESEL FUEL:		
DYED No. 1 (Transport #)	\$_____gal	\$_____gal
No. 1 (Tank Wagon)	\$_____gal	\$_____gal
No. 2 (Transport #)	\$_____gal	\$_____gal
No. 2 (Tank Wagon)	\$_____gal	\$_____gal
No. 1 & No. 2 - 50/50 Mix (Transport)	\$_____gal	\$_____gal
No. 1 & No. 2 - 50/50 Mix (Tank Wagon)	\$_____gal	\$_____gal
DIESEL FUEL:		
CLEAR or HIGHWAY No. 1 (Transport)	\$_____gal	\$_____gal
No. 2 (Transport)	\$_____gal	\$_____gal
No. 1 & No. 2 - 50/50 Mix (Transport)	\$_____gal	\$_____gal

Bidder acknowledges receipt of the following addenda:

Date: \_\_\_\_\_ Number: \_\_\_\_\_  
\_\_\_\_\_

The Bidder understands that the Owner reserves the right to reject any or all bids, to waive any informalities in the bidding and to award the contract in the best interest of the Owner.

Respectfully submitted:

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Name of Firm

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(Federal ID Number)

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Officer

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Address

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Telephone Number