

ORIGINAL

RESOLUTION 2010 - 03

**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.

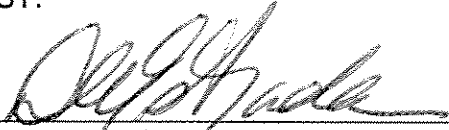
Section 2. This Resolution shall be effective upon passage, approval and signatures hereon in accordance with law.

PASSED this 25th day of January, 2010.



JAMES A. RESTUCCI, MAYOR

ATTEST:



DEBORAH A. ESTRADA, CITY CLERK

APPROVED AS TO FORM:



MENKE JACKSON BEYER EHLIS & HARPER, LLP
Attorneys at Law

**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 5:00 p.m. local time, December 16th, 2009.

BID OPENING

Bids will be opened and publicly read aloud in the Conference Room, City Hall, Sunnyside, Washington, at 5:00 p.m. local time, December 16th, 2009 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: N/A

“Premium Unleaded” gasoline: N/A

3. The guaranteed average and minimum Octane Number:

“Regular Unleaded” Average: 87 Minimum 87

“Premium Unleaded” gasoline: 92 Minimum 92

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

Grade No. 2: Average LESS THAN .005 ^{ppm} Minimum LESS THAN .005 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, 2010 through December 31, 2014. 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): CONOCO PHILLIPS, and the OPIS price adjustment reference city(s) shall be: Seattle, Spokane, Sunnyside, Portland, or * Pasco.

	<u>Regular Unleaded</u>	<u>Diesel Fuel</u>
Estimated Annual Volume:	<u>38,000</u>	<u>13,000</u>
Per Gallon Rack Price (Effective: Date of Bid Submittal)	<u>1.915</u>	<u>1.9325</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>.1291</u>
Total Cost Per Gallon:	<u>2.3681</u>	<u>2.4371</u>

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

Location(s) of 24 hour pumping facilities: 106 N 9th STREET, Sunnyside, WA

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

SEE ATTACHED LOCATION DIRECTORY 
SITES OTHER THAN THE SUNNYSIDE LISTED ABOVE
WILL NOT HAVE THE SAME/BID PRICING.

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: CONNELL OIL, INC. / BRAD BELL

Address: PO BOX 607
SUNNYSIDE, WA 98944

Telephone Number: 509-837-5274

Signature of Authorized Official: Brad Bell

Title of Authorized Official: PRESIDENT

Date: 12-11-2009