



**ADDENDUM TO THE REQUEST FOR PROPOSALS
RFP 14-0121, MOTOR FUELS AND AVIATION FUELS**

**CITY OF FORT WORTH
PURCHASING DIVISION**

ADDENDUM NO. 2

DATE ISSUED: July 9, 2014

REQUEST FOR PROPOSAL NUMBER: 14-0121

ORIGINAL PROPOSAL SUBMISSION DATE: July 10, 2014 (changed)

REVISED BID SUBMISSION DATE: July 24, 2014

Addendum No. 2, dated July 9, 2014 is hereby amended to incorporate in full text the following provisions:

1. Questions and Answers document received through e-mails is hereby incorporated, in full text, page 2.
2. An updated Attachment B – Rack Market Differential Pricing Spreadsheet has been posted to add B10 Biodiesel to each worksheet.
3. Bid Closing Date is changed to: Thursday, July 24, 2014 at 1:30PM Local Time.

All other terms and conditions remain the same.

JACK DALE

PURCHASING MANAGER

COMPANY NAME: _____

SIGNATURE: _____

NOTE: Company name and signature must be the same as on the bid documents.

**Questions and Answers (Q&A) for City of Fort Worth
RFP No. 14-0121
MOTOR FUELS AND AVIATION FUELS**

Q1. Who is the current contractor for the Fiscal Year 2009 Motor Fuels Contract?

A1. Martin Eagle Oil Company and Truman Arnold possess the current contract for Motor Fuels.

Q2. If the City anticipates awarding to a Primary and Secondary Supplier, will the secondary supplier be guaranteed ratable volumes or only ordered from in the event the primary is unable to fulfill?

A2. The City reserves the right to award a single contract or multiple contracts. The City will evaluate responses to determine what is most advantageous to the City. If multiple awards are made, splits will likely be by petroleum product for the City. Nationally, multiple awards may be made based on the factors stated in the RFP and regions the offers are capable of servicing.

Q3. Will the contractor have the option to accept or reject the use of other governmental agencies throughout the 48 states? Will contingencies be considered in offer evaluations?

A3. Suppliers should indicate in their response any qualifications, limitations or contingencies to servicing agencies throughout the 48 contiguous states.

Q4. The list of National Intergovernmental Purchasing Alliance Agencies on pages 60-68, Exhibit F, which agency actually participates/purchases from the Alliance/City Agreement?

A4. The list is not a comprehensive list of agencies registered with the National IPA. The agencies are listed simply to fulfill the solicitation advertising requirements of the states they are located in. Listing the agencies in the solicitation fulfills the statutory advertising requirements that must be met in order for the agencies to be considered for the contract award.

Q5. Some of the agencies listed in the National Intergovernmental Alliance list may procure their fuel products direct and individually not using the City of Fort Worth agreement. Could the City provide an estimate total annual volume usage amongst the entire Alliance?

A5. The list is not a comprehensive list of agencies registered with the National IPA. The agencies are listed simply to fulfill the solicitation advertising requirements of the states they are located in. Listing the agencies in the solicitation fulfills the statutory advertising requirements that must be met in order for the agencies to be considered for the contract award. As stated in the RFP, page 2, Section 1- General Provisions, 1.0 General Information, 1.4: The annual purchases among all Participating Agencies, including the City, are estimated to be 50 million gallons.

Q6. Are suppliers required to bid on all line items and delivery types to be considered for an award?

A6. Suppliers should indicate the products and delivery types they are able to provide. The City of Fort Worth reserves the right to remove a product, if the product isn't required for the area to be delivered. The City is looking to award a comprehensive fuel contract; however, it recognizes all suppliers may not be able to furnish all types of fuel (e.g. aviation fuel).

Q7. Does the City require the biodiesel to meet the latest American Society for Testing and Materials (ASTM) standards despite the feedstock or does the City have base stock preferences?

A7. Yes, it is required to provide the base feed stock (Soy-Methyl-Ester) to meet the City of Fort Worth's required needs and specifications.

Q8. If the supplier doesn't have a fueling facility within the 40 mile radius, would access to a refiners loading terminal within range suffice? If yes, would the City consider changing minimum gallons to 500 as those would be refiner minimums for pumping purposes?

A8. Yes, as long as the City of Fort Worth bobtails have the ability to pull from the awarded vendors facility or terminal within the 40 mile radius in case of emergency.

Q9. Can the City of Fort Worth do better than 30 days for payment terms, i.e. Net 10 or Net 15?

A9. Page 26, section 7.0, Payments, the City of Fort Worth's payment terms will be net 15 days. Nationally, other agencies may have other payment term requirements. Offeres should state any additional payment terms they make available.

Q10. Do vendors receive a discount for prompt payment of invoices?

A10. No, the current contract does not offer a prompt payment discount to the City of Fort Worth or other participating agencies. Vendors may propose a prompt payment discount in the response to this RFP.

Q11. What is the tentative start date of the contract?

Q11. The tentative start date will be November 2014

Q12. Are contract extensions mutually agreed upon?

A12. Yes, both parties mutually agree upon contract extensions.

Q13. How many addendums have been released for this proposal?

A13. There have been no addendums released for this proposal, prior to this addendum. This addendum replaces addendum No. 1.

Q14. How much of each product requested, did the City order last year?

A14. Unleaded: 1,864,474 gallons; Diesel/Biodiesel: 1,105,648 gallons; Jet-A: 50,000 gallons

Q15. What are the typical load sizes per product?

A15. 7500 gallons for Diesel and Jet-A gas, and 8500 gallons for unleaded gas.

Q16. What percentage of the City contract is short or tank wagon loads?

A16. There are no percentages at this time.

Q17. What is the tentative award date?

A17. The tentative award date is November 2014.

Q18. Will a vendor selection be made before or after the City Council meeting?

A18. The evaluation panel will make a recommendation to the Fort Worth City Council, for consideration at the City Council meeting. The date is to be determined.

Q19. Will a firm fixed price be considered?

A19. This contract is based on the OPIS index and index prices fluctuate daily. The offeror's proposed differential is a firm fixed amount and cannot be changed throughout the term of the contract. Applicable taxes and fees can change as mandated by Federal and/or State authorities. Awarded vendor must provide proof of any changes in taxes and fees prior to invoicing.

Q20. If a vendor were to insert any conditions into their alternate firm fixed price proposal, would the vendor be taken into consideration or rejected?

A20. Vendors may propose all terms by which they prefer to do business in their proposals. All terms submitted in proposals will be evaluated as part of the evaluation process, which shall begin following the proposal submittal deadline. No terms and conditions will be evaluated at this time.

Q21. Will the bid award be split by product or awarded all to one bidder?

A21. The City reserves the right to award a single contract or multiple contracts. The City will evaluate responses to determine what is most advantageous to the City. If multiple awards are made splits will likely be by petroleum product for the City. Nationally, multiple awards may be made based on the factors stated in the RFP and regions the offerors are capable of servicing.

Q22. Will the bid award be split by tank wagon and transport?

A22. The City reserves the right to award a single contract or multiple contracts. The City will evaluate responses to determine what is most advantageous to the City. If multiple awards are made splits will likely be by petroleum product for the City. Nationally, multiple awards may be made based on the factors stated in the RFP and regions the offerors are capable of servicing.

Q23. Is there a public proposal opening? If yes, what information will be read out loud?

A23. There will be a public proposal acknowledgement, during which only the names of the firms that submitted proposals will be read aloud.

Q24. Can deliveries be split between locations?

A24. Deliveries can only be split by City owned locations (i.e. service center to service center). Also, note page 24, Section 5.0, Delivery/Frieght, of the RFP. Nationally, it is our experience that agencies commonly split loads.

Q25. How many consecutive years has the current vendor been awarded?

A25. The current vendor has been awarded the current award, for the last five years.

Q26. Will a metered bill of loading be acceptable in place of the metered truck requirements?

A26. Only transport deliveries, including tank stick readings, will be required for both transports and bobtail metered trucks before and after to verify the product deliveries.

Q27. If a vendor does not attend the proposal opening, how and when will the vendor be notified of the low bidder? Can the vendor receive a copy of the proposal tabulations?

A27. The solicitations is an RFP, not an ITB, therefore proposals will be evaluated on the factors listed in the RFP, in addition to price. A low bidder will not be notified and a tabulation of proposals will not be made available until after a contract has been awarded.

Q28. Are vendors able to calculate freight for the City portion of the proposal?

A28. Yes, if freight is to be charged, it must be a separate line item. Page 24, Section 5.0, Delivery/Freight, and proposal response requirements on Page 6, Section 5.4.5, Fee Schedule.

Q29. Does the .0100 Administration Fee apply to bidding for the City?

A29. The \$0.01 administrative fee applies to all fuel sales under the contract, including the City of Ft. Worth.

Q30. Can a vendor just bid on the City portion of the proposal? If yes, how would we fill in the Rack Market Differential Pricing spreadsheet to show this?

A30. The City has chosen to partner with National IPA for this solicitation; the national program is part of the RFP factors listed in the RFP. Offerors will be evaluated in whole on their ability to meet the factors listed in the RFP, including the national cooperative contract requirements.

- Q31. Page 31, section 5.0, Additional Requirement, states that vendors must supply a loading facility of the City's vehicles to pick up fuel within 40 miles of Fort Worth. Can the City's trucks load at a bottom loading facility, or do they need to be top loading? Does it matter who owns the terminal/bulk plant, or does the City just need access to lift?**
- A31. Yes, as long as the City of Fort Worth bobtails have the ability to pull from the awarded vendors facility or terminal within the 40 mile radius in case of emergency.
- Q32. Page 24, section 5.3, specifies that the supplier's delivery trucks must be equipped with calibrated meters. Does this apply to Tankwagon trucks only, or does it apply to transport (7500 gallons +) delivery trucks?**
- A32. It applies to only Tankwagon trucks. However, stick readings will be required for both transports and bobtail metered trucks before and after to verify the product deliveries.
- Q33. Page 39, section 11.00, Note, please verify this statement; "...no tender of a bill of lading will operate as a tender automatic approval."?**
- A33. This applies only to the City of Ft. Worth. It means that the provider will have to provide the e-mail request and BuySpeed requisition as proof of purchase request.
- Q34. For the National IPA portion, can a vendor put "TBD" for the guaranteed minimum gallons over the first three years of the contract?**
- A34. The guaranteed minimum gallons are not required. Offerors should respond with their proposed guarantee (which may be "To Be Determined") and it will be evaluated in whole within the Offeror's response.
- Q35. Should the \$0.01 per gallon fee to National IPA be assessed on loads delivered to the City of Fort Worth?**
- A35. Any and all proposed differentials should be inclusive as it relates to the administrative fee. In no case should the administrative fee be a line item on an invoice. Offerors are encouraged to consider the value of a contract solicited and awarded by the City of Ft. Worth that can be piggybacked by other agencies nationwide without the need for the agency to do their own solicitation. Awarded offerors save considerable resources by not having to allocate those resources to responding to solicitations.
- Q36. Should the \$0.01 per gallon fee to National IPA be shown as a separate line item on invoices to purchasing agencies?**
- A36. No, any and all proposed differentials should be inclusive as it relates to the administrative fee. In no case should the administrative fee be a line item on an invoice. Offerors are encouraged to consider the value of a contract solicited and awarded by the City of Ft. Worth that can be piggybacked by other agencies nationwide without the need for the agency to do their own solicitation. Awarded offerors save considerable resources by not having to allocate those resources to responding to solicitations.

Q37. Should the \$0.01 per gallon fee to National IPA be included in the differential provided by each supplier to participating agencies?

A37. Any and all proposed differentials should be inclusive as it relates to the administrative fee. In no case should the administrative fee be a line item on an invoice. Offerors are encouraged to consider the value of a contract solicited and awarded by the City of Ft. Worth that can be piggybacked by other agencies nationwide without the need for the agency to do their own solicitation. Awarded offerors save considerable resources by not having to allocate those resources to responding to solicitations.

Q38. Do bidders need to register with National IPA prior to submitting a bid?

A38. No, bidders do not need to register with the National IPA prior to submitting a bid.

Q39. Can a bidder exclude purchasing cards as a form of payment?

A39. Offerors should indicate in their response if they propose to include or exclude purchasing cards.

Q40. Can bidders submit an additional fee for orders paid for by a purchasing card?

A40. Offerors should indicate in their response any proposed fees for accepting a purchasing card. Any proposed fees must be in line with credit card operating regulations and state laws where they are accepted.

Q41. Should the Petroleum Activity Tax (PAT) which is effective 7/1/2014 be a line item on invoices to locations in OH?

A41. The successful offeror will work with agencies in Ohio to determine how they want their invoices submitted. Offeror should include invoicing options available in their response.

Q42. Should the Federal Environmental Recovery Fee (\$0.0019 for ULSD/\$0.0017 for E-10 gas) be shown as a line item on invoices?

A42. Yes, all taxes should be separate line items to easily identify cost. Nationally, the successful Offeror will work with other agencies nationwide to determine how they want their invoices submitted. Offeror should include invoicing options available in their response.

Q43. Should the Federal LUST Fee (\$.0010 for all products) be shown as a line item on invoices?

A43. Yes, all taxes should be separate line items to easily identify cost. Nationally, the successful Offeror will work with other agencies nationwide to determine how they want their invoices submitted. Offeror should include invoicing options available in their response.

Q44. Are any State taxes or inspection/environmental fees that agencies might be liable for to be shown as separate items on supplier's invoices?

A44. Yes, all taxes should be separate line items to easily identify cost. Nationally, the successful Offeror will work with other agencies nationwide to determine how they want their invoices submitted. Offeror should include invoicing options available in their response.

Q45. Should the differentials for the City of Fort Worth be listed on the "Rack Market Differential Pricing Sheet" on the TX tab under Dallas/Fort Worth?

A45. No, under tab: Dallas Metro.

Q46. Is there a separate pricing page for differentials to the City of Fort Worth?

A46. City of Fort Worth is under tab: Dallas Metro.

Q47. Is the City of Fort Worth awarded separately from the lowest responsive bidder on the Dallas/Fort Worth sections of the Rack Market Differential Pricing excel?

A47. The solicitation is an RFP, not an ITB, therefore proposals will be evaluated on the factors listed in the RFP, in addition to price. The needs of the City of Ft. Worth are the priority. Based on the City of Ft. Worth's award, National IPA and the awarded supplier will market the awarded contract to other agencies.

Q48. Should all the differentials for each rack market be based off the Fort Worth OPIS published price?

A48. No, offerors are required to propose differentials for each rack market they are capable of servicing.

Q49. Should all differentials for each rack market be based off of the closest terminal in OPIS to the location?

A49. Yes, if offeror has a different approach, the approach should be discussed in detail in the response.

Q50. Based on the statements regarding pricing on page 24, item 5.4 and page 22, item 3.1, should the benchmark index be off the OPIS contract Average, or the contract Low posting?

A50. The OPIS Contract Average Net index will be the benchmark index for the City of Fort Worth. All proposed Rack Market Differential Prices shall be based on the closest terminal reported by OPIS to the delivery location. Nationally, offerors should consider the most competitive benchmark index for the public sector market considering availability of product and propose this as an "alternate" OPIS index for the national program.

Q51. If a bidder indicates they are unable to service states on page seven (7), do you still require “no bid” to be entered into each cell on the ‘Rack Market Differential Pricing’ excel?

A51. The City requires an “X” in cells in which the offeror is not proposing to offer.

Q52. What local area petroleum terminals are the City of Fort Worth’s tankers currently cleared for loading at?

A52. The local terminals are located in Aledo and Euless, Texas.

Q53. Page 22, section 3.1, states that the benchmark index for City of Fort Worth should be the OPIS Contract Average Net index. Does this benchmark apply as the benchmark index for our differentials for National IPA, or just for the City of Fort Worth?

A53. The OPIS Contract Average Net index will be the benchmark index for the City of Fort Worth. All proposed Rack Market Differential Prices shall be based on the closest terminal reported by OPIS to the delivery location. Nationally, offerors should consider the most competitive benchmark index for the public sector market considering availability of product and propose this as an “alternate” OPIS index for the national program.

Q54. Can a vendor only bid on the City portion of the proposal? If yes, how would a vendor fill in the Rack Market Differential Pricing Spreadsheet to show this?

A54. The City has chosen to partner with National IPA for this solicitation, the national program is part of the RFP factors listed in the RFP. Offerors will be evaluated in whole on their ability to meet the factors listed in the RFP, including the national cooperative contract requirements.

Q55. Do vendors use page 7, section 8.0, Award of Contract, as the checklist to summarize the geographic coverage area they wish to service only?

A55. Offerors should indicate the states they are capable of servicing and indicate if they do not wish to service any of those states.

Q56. Do vendors have to put an “X” on every page of the Market Differential Price Proposal, Excluding Transportation Costs that they do not wish to propose?

A56. Yes, vendors have to put an “X” on every page of the Market Differential Price Proposal they do not wish to propose.

Q57. On the Market Differential Price we have two columns to propose (-) and (+), do vendors put a range or just the markup in the (+) side?

A57. Offerors are to indicate either the plus OR minus market differential they propose in the appropriate cell of the spreadsheet. This contract is based on the OPIS index and index prices fluctuate daily. The offeror's proposed differential is a firm fixed amount and cannot be changed throughout the term of the contract. Applicable taxes and fees can change as mandated by Federal and/or State authorities. Awarded vendor must provide proof of any changes in taxes and fees prior to invoicing.