

**PUR-1117
ADDENDUM NO. 1
INVITATION TO BID
DIESEL FUEL**

DATE: Thursday, October 22, 2009

**BIDS DUE: Wednesday, October 28, 2009
2:00 P.M.**

To Bidders:

This Addendum is hereby made a part of the Contract Documents on which all bids will be based and is issued to correct and clarify the original documents. (All inquiries are typed as they were received.)

Please acknowledge receipt of this Addendum at the appropriate space on the Proposal Form. This Addendum consists of three (3) pages and one (1) attachment (*Attachment A*).

ITEM NO. 1: *Inquiry:* The above reference bid is asking for an Baltimore Opis Average price index, does this index need to be based off of the daily or weekly average?

Response: The OPIS pricing is the weekly based price using the Baltimore, Maryland Rack Average pricing.

ITEM NO. 2: *Inquiry:* Are any of the tanks that receive transport deliveries as listed in the RFP above ground? If there are above ground tanks, which locations are they and do they require the delivery transport to have a pump?

Response: All tanks are below ground except for the Solid Waste location, which will require a truck with a pump for delivery.

ITEM NO. 3: *Inquiry:* Our company is interested in bidding on your Diesel Fuel ITB for the 2009-1010 year. One thing that we are concerned with is the requirement for the 100% performance bond. Because this bid is for commodities and also not being a fixed price bid, the cost/risk of a performance bond from a bidder perspective makes it hard to justify. I think this requirement limits the amount of qualified bidders that would submit a proposal. Is there any leeway on this point? If so, please let me know so that we may submit our bid. Let me know if you have any questions or concerns.

Response: A Performance Bond shall be required.

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ITEM NO. 4: *Inquiry:* On page 15 – para 6. Can you please clarify whether our up charge (bidder’s factor) has to include or exclude the taxes that may be applicable to these deliveries? On line 3 it states very clearly “Do not include any existing applicable taxes” however the wording then goes on to state that the bidders factors must include “any applicable Federal State and local fees” Unless you are exempt, on-road diesel has the following taxes that are paid by the end-user:

State excise tax - \$0.2425 per gallon
Federal excise tax - \$0.2430 per gallon
LUST tax - \$0.0010 per gallon

So the question is – are those rolled into the factor, identified separately or left out?

Response: The on-road diesel taxes are to be left out; the County pays the taxes to Maryland Comptroller’s Office.

ITEM NO. 5: *Inquiry:* On page 21 there is a list of other agencies that we may elect to have purchase under this contract. My question is – your requirement is based on deliveries of transport loads – 7500 gallons per load. Are the other agencies going to be able to order in such large quantities or are there going to be times/locations where it is not possible to deliver a transport load and the requirement is going to need a smaller vehicle. If so are we then obliged to deliver smaller loads at the transport price or can we decline to supply – the economies are such that we cannot deliver, say 2000 gallons, at the same price as 7500 gallons.

Response: No, the successful bidder will not be required to deliver quantities less than 7500 gallons. The contract is for “transport deliveries” only.

ITEM NO. 6: *Inquiry:* Please confirm this is to be priced on OPIS day of delivery (OPIS Daily Average).

Response: See Item No. 1 of this Addendum.

ITEM NO.7: *Inquiry:* On the bid pricing form, it has a Net column. Please explain what is to go in this column since the previous column asks for the adder to OPIS. Are we to take the adder plus OPIS prices on 9/28/09 multiplied by the estimated gallons for that site?

Response: The “Net” price is the OPIS price on 9/28/09, plus/minus the Bidder’s factor; do not multiple by the estimated gallons for that site.

ITEM NO. 8: *Inquiry:* Please provide the tabulations for the last diesel fuel bid per FOIA.

Response: See “Attachment A” to this Addendum. Note: Gasoline was included in the previous bid, but not included in this bid (PUR-1117).

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ITEM NO. 9: *Inquiry:* Please confirm that the Performance Bond is 100% of the contract amount. Due to the cost of a Performance Bond to the vendor for 556,800 gallons of diesel fuel at current diesel prices, that cost will also increase the adder to Washington County, can this percentage be reduced to benefit both Washington County and the vendor?

Response: See Item No. 3 of this Addendum.

ITEM NO. 10: *Inquiry:* If #1 ULSD is to be blended with #2 ULSD to meet the -12 degrees Celsius specification requirement on page 20, can the vendor use the #1 ULSD OPIS to price that percentage of #1 ULSD used to blend plus the standard #2 ULSD adder (e.g. (20% OPIS #1 ULSD + 80% #2 ULSD) + OPIS adder = price per gallon)?

Response: No, the OPIS price is for No. 2-D Ultra Low Sulfur.

ITEM NO. 11: *Inquiry:* Can you accept Electronic Invoices (via email or fax)?

Response: No, invoices are to be mailed to respective departments listed in the bid document.

ITEM NO. 12: *Inquiry:* Will you be paying via ACH, EFT or regular mailed check?

Response: Payment will be made via regular mailed check.

ITEM NO. 13: Washington County will accept Innospec’s - Legal Diesel Fuel Additive 1400 LHF as an equivalent fuel treatment product.

ITEM NO. 14: Washington County will accept Power Service Products, Inc. – Diesel Performance Improver + Cetane Boost as an equivalent fuel treatment product.

BY AUTHORITY OF:

Karen R. Luther, CPPO
Purchasing Agent

BOARD OF COUNTY COMMISSIONERS
OF WASHINGTON COUNTY, MARYLAND

**Gasoline and Diesel Fuel
PUR-1085**

"Attachment A"

**Opis Average Prices for
Deliveries on 10-06-08**

Gas Unleaded 87 Octane	2.5693
Gas Unleaded 89 Octane	2.7024
No. 2-D Diesel (Opis No. 2 Ultra-Low Sulfur)	3.0924

AC&T Company, Inc. Hagerstown, MD																				
Location	Storage Capacity		Approximate Usage			87 Oct. Net			89 Oct. Net			No. 1-D Diesel Net			No. 2-D Diesel Net					
	Gasoline	Diesel	Gas Unleaded 87 Oct.	Gas Unleaded 89 Oct.	Diesel Fuel Oil No. 2-D	Bidder's Plus/Minus Factor	Delivered Gas 87 Oct.	Price	Bidder's Plus/Minus Factor	Delivered Gas 89 Oct.	Price	Bidder's Plus/Minus Factor	Delivered No. 1-D Diesel	Price	Bidder's Plus/Minus Factor	Delivered No. 2-D Diesel	Price			
County Commuter 1000 W. Washington Street Hagerstown, MD		10,000 TP			100,000											0.0455	3.1379	313,790.00		
Solid Waste Dept. 12630 Earth Care Road Hagerstown, MD	2,000 TW	10,000 TP	1,800		80,000											0.0455	3.1379	251,032.00		
Highway Department: Central – 601 Northern Ave. Hagerstown, MD	12,000 TP	10,000 TP	70,006		43,405	0.0435	2.6128	182,911.68								0.0455	3.1379	136,200.55		
Western – Licking Creek Clear Spring, MD	500 TW	10,000 TP	442		21,000											0.0455	3.1379	65,895.90		
Southern – Coffman Lane Keedysville, MD	500 TW	10,000 TP	11,478		36,012											0.0455	3.1379	113,002.05		
Eastern – Greensburg Road Smithsburg, MD	300 TW	10,000 TP	265		14,000											0.0455	3.1379	43,930.60		
Board of Education 820 Commonwealth Ave. Transportation Dept. Hagerstown, MD	(1) 10,000 TP	(2) 10,000 TP		50,000	200,000				0.0435	2.7459	137,295.00					0.0455	3.1379	627,580.00		
City of Hagerstown 51 W. Memorial Blvd. Hagerstown, MD	(2) 12,000 TP	(1) 12,000 TP	134,000		66,500	0.0435	2.6128	350,115.20								0.0455	3.1379	208,670.35		
Sheriff's Department 500 Western MD Parkway Hagerstown, MD	10,000 TP	(1) 275 (1) 2,000 TW		100,000	1,500				0.0435	2.7459	274,590.00									
									\$533,026.88			\$411,885.00			\$0.00			\$1,760,101.45		

NOTE: Protec 8933 is the current diesel fuel winter operability additive that we utilize.

\$2,705,013.33
Grand Total

**Gasoline and Diesel Fuel
PUR-1085**

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**Opis Average Prices for
Deliveries on 10-06-08**

Gas Unleaded 87 Octane	2.6502
Gas Unleaded 89 Octane	2.7399
No. 2-D Diesel (Opis No. 2 Ultra-Low Sulfur)	3.0924

Petroleum Traders Corporation Fort Wayne, IN																			
Location	Storage Capacity		Approximate Usage			87 Oct.	Net	Price	89 Oct.	Net	Price	No. 1-D Diesel	Net	Price	No. 2-D Diesel	Net	Price		
	Gasoline	Diesel	Gas Unleaded 87 Oct.	Gas Unleaded 89 Oct.	Diesel Fuel Oil No. 2-D	Bidder's Plus/Minus Factor	Delivered Gas 87 Oct.		Bidder's Plus/Minus Factor	Delivered Gas 89 Oct.		Bidder's Plus/Minus Factor	Delivered No. 1-D Diesel		Bidder's Plus/Minus Factor	Delivered No. 2-D Diesel			
County Commuter 1000 W. Washington Street Hagerstown, MD		10,000 TP			100,000										0.0296	3.1220	312,200.00		
Solid Waste Dept. 12630 Earth Care Road Hagerstown, MD	2,000 TW	10,000 TP	1,800		80,000										0.0296	3.1220	249,760.00		
Highway Department: Central – 601 Northern Ave. Hagerstown, MD	12,000 TP	10,000 TP	70,006		43,405	0.0346	2.6848	187,952.11							0.0296	3.1220	135,510.41		
Western – Licking Creek Clear Spring, MD	500 TW	10,000 TP	442		21,000										0.0296	3.1220	65,562.00		
Southern – Coffman Lane Keedysville, MD	500 TW	10,000 TP	11,478		36,012										0.0296	3.1220	112,429.46		
Eastern – Greensburg Road Smithsburg, MD	300 TW	10,000 TP	265		14,000										0.0296	3.1220	43,708.00		
Board of Education 820 Commonwealth Ave. Transportation Dept. Hagerstown, MD	(1) 10,000 TP	(2) 10,000 TP		50,000	200,000				0.0346	2.7745	138,725.00				0.0296	3.1220	624,400.00		
City of Hagerstown 51 W. Memorial Blvd. Hagerstown, MD	(2) 12,000 TP	(1) 12,000 TP	134,000		66,500	0.0346	2.6848	359,763.20							0.0296	3.1220	207,613.00		
Sheriff's Department 500 Western MD Parkway Hagerstown, MD	10,000 TP	(1) 275 (1) 2,000 TW		100,000	1,500				0.0346	2.7745	277,450.00								
								\$547,715.31				\$416,175.00				\$0.00			\$1,751,182.87

\$2,715,073.18
Grand Total

**Gasoline and Diesel Fuel
PUR-1085**

"Attachment A"

**Opis Average Prices for
Deliveries on 10-06-08**

Gas Unleaded 87 Octane	2.3995
Gas Unleaded 89 Octane	2.5338
No. 2-D Diesel (Opis No. 2 Ultra-Low Sulfur)	2.9473

Petroleum Marketing Group, Inc. Baltimore, MD																				
Location	Storage Capacity		Approximate Usage			87 Oct. Net			89 Oct. Net			No. 1-D Diesel Net			No. 2-D Diesel Net					
	Gasoline	Diesel	Gas Unleaded 87 Oct.	Gas Unleaded 89 Oct.	Diesel Fuel Oil No. 2-D	Bidder's Plus/Minus Factor	Delivered Gas 87 Oct.	Price	Bidder's Plus/Minus Factor	Delivered Gas 89 Oct.	Price	Bidder's Plus/Minus Factor	Delivered No. 1-D Diesel	Price	Bidder's Plus/Minus Factor	Delivered No. 2-D Diesel	Price			
County Commuter 1000 W. Washington Street Hagerstown, MD		10,000 TP			100,000										0.0795	3.0268	302,680.00			
Solid Waste Dept. 12630 Earth Care Road Hagerstown, MD	2,000 TW	10,000 TP	1,800		80,000										0.0863	3.0336	242,688.00			
Highway Department: Central – 601 Northern Ave. Hagerstown, MD	12,000 TP	10,000 TP	70,006		43,405	0.0722	2.4717	173,033.83							0.0802	3.0275	131,408.64			
Western – Licking Creek Clear Spring, MD	500 TW	10,000 TP	442		21,000										0.0861	3.0334	63,701.40			
Southern – Coffman Lane Keedysville, MD	500 TW	10,000 TP	11,478		36,012										0.0772	3.0245	108,918.29			
Eastern – Greensburg Road Smithsburg, MD	300 TW	10,000 TP	265		14,000										0.0786	3.0259	42,362.60			
Board of Education 820 Commonwealth Ave. Transportation Dept. Hagerstown, MD	(1) 10,000 TP	(2) 10,000 TP		50,000	200,000				0.0707	2.6045	130,225.00				0.0784	3.0257	605,140.00			
City of Hagerstown 51 W. Memorial Blvd. Hagerstown, MD	(2) 12,000 TP	(1) 12,000 TP	134,000		66,500	0.0708	2.4703	331,020.20							0.0786	3.0259	201,222.35			
Sheriff's Department 500 Western MD Parkway Hagerstown, MD	10,000 TP	(1) 275 (1) 2,000 TW		100,000	1,500				0.0751	2.6089	260,890.00									
									\$504,054.03			\$391,115.00			\$0.00			\$1,698,121.28		

\$2,593,290.31
Grand Total