

**BID 16M5
PROPANE GAS**

FACT SHEET

A. **Overview:** This recommendation is to establish a contract for the supply and delivery of propane gas to various Frederick County Public Schools locations. Bids were received on November 19, 2015.

1. **Bid participation:**

22 companies notified
3 companies submitted a bid

2. **Bids were received from:**

AmeriGas Propane, L.P. dba: AmeriGas (Frederick, MD)
Blossman Gas, Inc. (Ocean Springs, MS)
Suburban Propane, L.P. (Eldersburg, MD)

3. **Other facts:**

- The initial contract term will be effective from January 1, 2016 through December 31, 2017, with one additional two-year renewal option available.
- Bids were requested on a floating price basis identifying a fixed differential cost comprising the freight, profit and overhead required to deliver propane gas to various sites (Attachment 1). Pricing has been obtained for tank wagon delivery to all sites except Liberty Elementary, which is delivered by transport truck. Tank wagon trucks carry approximately 300-6500 gallons while transport trucks carry 7000-10,000.
- The price of propane fluctuates weekly and is indexed using the average wholesale price posted at the Mt. Belvieu, Texas terminal, and verified by OPIS (Oil Price Information Service).
- Approximately \$38,463 was expended in FY15 for these services based on total consumption of 43,296 gallons.
- This contract will be administered by Charlie Dalphon, Energy/Utility Service Coordinator.

4. **Source of Funding:** FY16 Approved Operating Budget and contingent upon Board approval of FY17 and FY18 Operating Budget.

B. **Recommendation:** Staff recommends the contract for Bid 16M5, Propane Gas, be awarded to AmeriGas Propane, L.P. dba: AmeriGas, Frederick, MD, per the attached Bid Tabulation.

C. **Action taken by the Board (Purchasing use only):**

_____ Approved	_____ Denied	_____ Deferred	_____ Other	BL/kl
_____ Date	_____ Date	_____ Date	_____ Date	BOE Mtg.: 12.16.15

**BID 16M5, PROPANE GAS
BID TABULATION**

LIBERTY ELEM. SCHOOL - TRANSPORT DELIVERY	AMERIGAS PROPANE dba: AMERIGAS	BLOSSMAN GAS, INC.	SUBURBAN PROPANE, L.P.
POSTED PRICE/GALLON	\$0.4221	NO BID	\$.4221
PLUS FIXED MARK-UP/GALLON	\$0.18		\$.5039
TOTAL COST PER GALLON ON 11/12/15	\$0.6021		\$.9260
TOTAL ESTIMATED ANNUAL COST FOR 17,000 GALLONS	\$10,235.70		\$15,742.00
ALL OTHER LOCATIONS- TANKWAGON DELIVERY	AMERIGAS PROPANE dba: AMERIGAS	BLOSSMAN GAS, INC.	SUBURBAN PROPANE, L.P.
POSTED PRICE/GALLON	\$0.4221	\$.55281	\$.4221
PLUS FIXED MARK-UP/GALLON	\$0.22	\$0.70	\$.6679
TOTAL COST PER GALLON ON 11/12/15	\$0.6421	\$1.25281	\$1.09
TOTAL ESTIMATED ANNUAL COST FOR 26,000 GALLONS	\$16,694.60	\$32,573.06	\$28,340.00
ESTIMATED ANNUAL GRAND TOTAL FOR ALL SITES	\$26,930.30	\$32,573.06	\$44,082.00

BID 16M5, PROPANE GAS**ATTACHMENT 1**

#	SITE	TANK SIZE/GALLONS	2015 Usage
1	Annex Main & 7446 Hayward	200	1,052
2	Brunswick High	1,000	6,545
3	Catoctin High	500/4,000	7,736
4	Kemptown Elementary	500	174
5	Liberty Elementary*	18,000	17,705
6	Linganore High School	500	4,499
7	Middletown Elementary	200	-
8	Middletown High	1000/100 (x 2)	2,351
9	New Market Middle	500	120
10	Thurmont Elementary	500	-
11	Thurmont Middle	500	2,284
12	Walkersville High	500	377
13	Yellow Springs Elementary	500	453
14	Hillcrest Elementary	1,000	-
	2015 Total Annual Usage		43,296
	*All tanks are above ground and are leased from the contracted gas vendor except for Liberty Elementary which has an underground tank and is owned by FCPS.		