

BID 19M2
HEATING OIL

FACT SHEET

A. **Overview:** This recommendation is to establish a contract for the supply and delivery of heating oil to Frederick County Public Schools. Sealed proposals were opened on May 28, 2019.

1. **Bid participation:**

18 bids downloaded
5 companies submitted bids

2. **Bids were received from:**

James River Solutions dba: JRS (Ashland, VA)
Mansfield Oil Company of Gainesville, Inc. (Gainesville, GA)
Petroleum Traders Corporation (Fort Wayne, IN)
Shipley Fuels Marketing, LLC dba: Shipley Energy (York, PA)
Southern States Cooperative, Inc. dba: Frederick Petroleum Service (Frederick MD)

3. **Other facts:**

- This contract shall be effective from July 1, 2019 through May 30, 2023, with one two-year renewal option available.
 - Prices were requested for a fixed differential cost (comprising the freight, profit and overhead) plus applicable taxes, and based on tank wagon or transport delivery of heating oil to various sites.
 - Mansfield Oil Company duplicated their per gallon mark-up in the total cost section of the form of proposal. They did not include the cost per gallon in the total cost, resulting in a non-responsive bid submission.
 - Deliveries are priced by tank wagon for loads of 150 gallons to 5000 gallons, and by transport for loads of 5001 to 7500+ gallons.
 - All prices (mark-up) shall remain firm through the initial and renewal contract terms.
 - Prices are based on a fluctuating cost of oil, plus a fixed differential cost comprising freight, profit and overhead, plus applicable taxes.
 - Approximately \$600,000 was expended in FY19.
 - The contract will be administered by Charles Dalphon, Energy and Utility Coordinator.
4. **Source of funding:** FY20 Approved Operating Budget and contingent upon Board approval of FY21, FY22, and FY23 Operating Budgets.

B. **Recommendation:** Staff recommends the contract for Bid 19M2, Heating Oil, be awarded to James River Solutions dba: JRS (Ashland, VA), per the attached bid tabulation.

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

_____ Approved	_____ Denied	_____ Deferred	_____ Other	SR/kl
_____ Date	_____ Date	_____ Date	_____ Date	BOE Meeting: 06.26.19

**BID 19M2, HEATING OIL
BID TABULATION**

	Estimated Annual Gallons	JAMES RIVER SOLUTIONS	MANSFIELD OIL COMPANY OF GAINESVILLE, INC.	PETROLEUM TRADERS CORPORATION	SHIPLEY FUELS MARKETING, LLC dba: SHIPLEY ENERGY	SOUTHERN STATES COOPERATIVE, INC.
DIFFERENTIAL (MARK-UP) BIDDING BASIS (Excluding Taxes)						
Tank Wagon Delivery for 150 to 5,000 Gallons - Total Differential per Gallon		\$0.1165	\$0.2585	\$0.1650	\$0.1490	\$0.1999
Transport Delivery 5001 to 7,500 Gallons - Total Differential per Gallon		\$0.0200	\$0.0747	\$0.0494	\$0.0330	\$0.0500
UP CHARGE FOR EMERGENCY DELIVERY: Flat fee per delivery		\$100.00	\$150.00	\$250.00	\$120.00	\$150.00
TAXES						
Leaking Underground Storage Tank (LUST)		\$0.0010	\$0.001	\$0.0010	\$0.001	\$0.0010
National Oil Heat Research Alliance (NORA)		\$0.0020	\$0.002	\$0.0020	\$0.002	\$0.0020
Federal Spill Fund Recovery Tax		N/A	N/A	N/A		\$0.0019
Maryland Oil Transfer/Environmental Fee		N/A	N/A	\$0.00191		\$0.0019
Maryland Environmental Fee		\$0.0019	\$0.001905	N/A		
TOTAL COST INCLUDING MARK-UP AND TAXES:						
OPIS Daily Rack Average Price on 1/24/19		\$1.9292	\$1.9292	\$1.9292	\$1.9292	\$1.9292
Tank Wagon Cost Per Gallon on 1/24/19		\$2.0308	\$0.2585	\$2.0787	\$2.0652	\$2.1199
Transport Cost Per Gallon on 1/24/19		\$1.9343	\$0.0747	\$1.9631	\$1.9492	\$1.9700
Estimated Annual Gallons of Tank Wagon Delivered Fuel/Total Cost	61,880	\$125,665.90	\$15,995.98	\$128,630.57	\$127,794.58	\$131,179.41
Estimated Annual Gallons of Transport Delivered Fuel/Total Cost	248,427	\$480,532.35	\$18,557.50	\$487,689.53	\$484,233.91	\$489,401.19
Estimated Total Annual Cost		\$ 606,198.25	\$ 34,553.48	\$616,320.10	\$612,028.48	\$620,580.60