

DEPARTMENT: Public Works

Michael D. Edwards
Public Works Director

Phone: 966-5356

RECOMMENDED ACTION AND JUSTIFICATION: (Policy Item: Yes ___ No X)

Public Works recommends that Amerigas Propane Company of Los Banos be awarded the contract for liquid propane gas (LPG) deliveries to County facilities. The Bid Summary is attached.

The total annual cost, based on an estimated fuel usage of 81,000 gallons per year, is \$50,220. The price differential bid is 27 cents per gallon, giving a composite total price of 62 cents per gallon. Pending Board approval of this recommendation, the contract period will run from September 5, 1995, through June 30, 1998, with a provision that the contract may be extended as determined by the Board without further rebid.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On July 18, 1995, the Board authorized Public Works to advertise for bids with direction to provide a stipulation that the price per gallon should include all rental or other costs for use of the tanks, as well as costs for tank installation and/or removal.

On May 2, 1995, the Board authorized Public Works to submit an application to tag on to the State LP gas contract. Subsequently, it was determined that we were ineligible; therefore, it was necessary to go out to bid on our own.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

1. Award the bid to another bidder.
2. Do not award the bid and continue to purchase from the present supplier on a month-to-month basis.

COSTS: (X) Not Applicable

A. Budgeted current FY \$ _____

B. Total anticipated costs \$ _____

C. Required additional funding \$ _____

D. Internal transfers \$ _____

SOURCE: (X) 4/5th Vote Required

A. Unanticipated revenues \$ _____

B. Reserve for contingencies \$ _____

C. Source description: _____

Balance in Reserve Contingencies, if approved: \$ _____

SPECIAL INSTRUCTIONS:
List the attachments and number the pages consecutively:

1. Bid Specifications _____
2. Bid Summary _____

CLERK'S USE ONLY

Res. No.: 95-398 Ord. No. _____ This item on agenda as:

Vote - Ayes: 4 Noes: _____

Absent: Talbot Abstained: _____

() Approved () Denied

() Minute Order Attached () No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Date: _____

ATTEST: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: _____ Deputy

ADMINISTRATIVE OFFICER'S RECOMMENDATION:

- Recommended
- Not Recommended
- For Policy Determination
- Submitted with Comment
- Returned for Further Action

Comment: _____

A.O. Initials: Mc / by maw

COUNTY OF MARIPOSA

BID SPECIFICATIONS

FOR

COUNTY FACILITIES REQUIRING L.P. GAS HEATING FUEL

PWB 95-01

SCOPE:

This bid covers the approximate three (3) year requirements of the County of Mariposa for LIQUEFIED PETROLEUM GAS (LPG). The Notice of Award of Contract is anticipated to be issued on or about September 1, 1995, with the contract extending through June 30, 1998.

PRICE:

Prices shall be quoted as DIFFERENTIALS. Differentials will be truncated to four (4) digits past the decimal (example: \$.12345 will be calculated as \$.1234).

All prices shall include delivery and dispensing of fuel to destination. Bids quoting other than delivery and dispensing of fuel to a destination will be rejected.

All prices quoted shall be inclusive of State and Local Sales or Use Tax. The County is Federal Excise Tax exempt.

The unit price quoted on the contract price sheet shall include all rental or other costs for use of those tanks during the contract period, as well as any costs for tank installation and/or removal.

Bidders must indicate the differential from the base price, the resulting price per gallon and the extension when multiplied by the annual usage. Differential shall be considered an addition unless annotated with the minus (-) sign.

PRICES SHALL BE FIRM FOR THE CONTRACT PERIOD. HOWEVER, VENDORS WILL BE ALLOWED TO FLUCTUATE THEIR PRICE WITH THE POSTED PRICE AS FOLLOWS:

THE PRICE POSTED BY "SHELL OIL" IN THE CALIFORNIA BAY AREA, AS SHOWN ON THE CURRENT "WEEKLY PROPANE NEWSLETTER", SHALL BE ESTABLISHED AS THE BASE PRICE. BIDDER SHALL QUOTE A DIFFERENTIAL THAT SHALL NOT CHANGE DURING THAT CONTRACT PERIOD. (NOTE INVOICING REQUIREMENT BELOW.) THE BEGINNING BASE PRICE IS SHOWN AT THE TOP OF THE CONTRACT BID SHEET. BIDDERS SHALL NOT CHANGE THIS BEGINNING BASE PRICE FIGURE. THE BEGINNING BASE PRICE SHALL BE USED TO EVALUATE THE BIDS. IF THE PUBLICATION DOES NOT POST ONE OR TWO WEEKS, THE PRIOR WEEK'S PRICE SHALL BE USED.

It is understood that Shell in the Bay Area may be posting higher or lower than \$.35/gal. currently. For bid purposes, the base is set at \$.35/gal. However, the County will pay the current posted price plus the differential.

TANKS:

Tank size and number of tanks are provided on the attached price sheets. All tanks shall meet OSHA permitting requirements. A list of all tank numbers, by location, shall be provided by the Contractor to Public Works three (3) months after award of the contract.

Contractor will cooperate fully with previous supplier, if necessary, to arrange change-out of tanks and credit County for unused fuel in the tanks. There shall be little or no interruption of service to the County.

Filler Hose Adapters - (Safety Checks) shall be used on all deliveries. State here rental charge (if any) for units that must be left on tanks \$ _____ per _____. (Not an award factor)

SPECIFICATIONS:

The contractor shall furnish Liquefied Petroleum Gas (LPG), Commercial Propane, in accordance with the Natural Gas Processors Association (NGPA) LPG. Specifications and Test Methods, NGPA Publication 2140 with latest revisions.

QUANTITY:

The total quantity shown is approximate and is for bid evaluation purposes only. The quantity is not guaranteed. Climatic conditions and other factors affecting consumption of LPG will determine the actual amount used.

Any contract resulting from this bid will expire on June 30, 1998, and any remaining contract balances will thereby be cancelled in their entirety.

The County will not be obligated or required to purchase any of the contractor's surplus inventory resulting from the expiration of this contract.

The County may purchase LPG from other than the contractor in the event of an emergency.

MINIMUM ORDER:

Minimum delivery shall be 50% of tank capacity. Requests for delivery shall state which tank(s) are to be filled at each location. Less than minimum deliveries may be made when agreed to by both the contractor and the using location (i.e. "keep full" deliveries).

REGULAR DELIVERY REQUIREMENTS:

Delivery is to be completed in full within 3 calendar days of the receipt of order by the contractor.

Contractor agrees to deliver LPG during regular working hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except County-observed holidays.

EMERGENCY DELIVERY REQUIREMENTS:

Emergency deliveries of minimum quantity shall be made within one (1) working day ARO by contractor.

Deliveries requested outside the regular working hours and days shall be considered an emergency. Additional charge for delivery shall be \$ _____ (bidder to complete). This charge shall be per quarter hour, "portal to portal", and shall be a non-award factor.

Emergency deliveries are not anticipated to occur and shall be kept to a minimum by the ordering agencies. Emergency orders may be placed by telephone with the written order presented to the contractor at the time of delivery.

Contractor is required to advise the Department of Public Works, Facilities Maintenance Division, of any repetitive emergencies occurring at a single site.

STANDING TIME:

The County shall be entitled to standing time for the purpose of dispensing fuel at no charge.

ALLOCATIONS:

In the event the contractor's supply of awarded items is reduced for reasons beyond the contractor's control to a level which prevents the supply of the County's requirements in full, the contractor agrees to supply the County no less than a proportionate share delivered to similar accounts, unless federal regulations require otherwise. If such reduction occurs, the County reserves the right to cancel all or part of the contract without prejudice to either party, by giving the contractor thirty (30) days written notification.

ORDERING PROCEDURE:

Items will be ordered by the Public Works Department directly from the contractor.

DELIVERY LOCATIONS:

Typically, many of the delivery locations are semi-remote, and access may only be possible over narrow, winding, unpaved roads. These roads may often limit delivery to trucks without trailers and in some instances, smaller-than-normal trucks may be required. During the winter or periods of inclement weather, making deliveries may be especially difficult. **BIDDERS NOT FAMILIAR WITH THE PHYSICAL SURROUNDINGS OF ANY LOCATION ARE STRONGLY ADVISED TO PERSONALLY VIEW THOSE LOCATIONS PRIOR TO BIDDING.** Lack of familiarity with a delivery location will in no way relieve a contractor from his responsibility to fulfill a contract in full accordance with the terms and conditions of this bid.

DELIVERY EQUIPMENT:

Contractor will be required to make deliveries at the time specified in vehicles suitable for each individual location. These vehicles shall be equipped as required by applicable laws, rules or regulations with all components such as connectors and hoses of the proper size, length, etc., necessary to successfully complete delivery. All delivery vehicles and/or trailers must have accurate metering equipment to enable County personnel to verify quantities delivered.

INVOICING REQUIREMENTS:

The contractor shall render invoices as instructed by the County Public Works Department. Prices shall be itemized showing the BASE PRICE, the DIFFERENTIAL, the COMPOSITE PRICE per gallon, and the EXTENSION. A copy of the applicable section of the "Weekly Propane Newsletter" shall be submitted with the invoice to substantiate any deviation from the prices bid. No price changes shall be allowed without this substantiation. State sales and/or use tax shall be added to the invoice. Invoices must reflect the tank number and/or location.

USAGE REPORTS:

The contractor is required to submit a detailed usage report every three (3) months commencing from the date of award to the Department of Public Works, Facilities Maintenance Division. This report is to include total quantities per item number, the total dollar amount ordered of each item,

and a grand total for the three months for all orders issued by the issuing agencies. Invoice copies or list of purchase orders will not fulfill this requirement.

TEMPERATURE CORRECTION DISALLOWED:

Temperature correction of delivered products WILL NOT be allowed. Invoices and payments shall be for gross gallonage delivered (metered).

CONTRACTOR'S RESPONSIBILITY:

The contractor shall perform all deliveries to County facilities in a safe and professional manner. Contractor's equipment shall be in good working order and all personnel shall be trained in safety measures to preclude accidents endangering County personnel or property.

Contractor shall have adequate equipment for delivery of goods on proposed contract.

Contractor shall have adequate office and personnel resources for responding to the County's needs, including telephone coverage week days during the hours of 8:00 a.m. through 5:00 p.m.

Contractor's equipment shall be compatible with the County's facilities.

MODIFICATION OF CONTRACT:

Delivery sites may be changed, deleted or added as deemed necessary by the Public Works Department, Facilities Maintenance Division.

Any contract resulting from this bid may be modified in whole or in part upon mutual agreement of both parties. Such modification shall be in writing, signed and dated by authorized representatives of each party.

**CONTRACT BID SHEET
COUNTY OF MARIPOSA - LPG HEATING FUEL
PWB 95-01**

BASE PRICE PER GALLON: \$.350

DIFFERENTIAL FROM BASE PRICE: \$.270
(Price to include: removal, installation and tank rental)

COMPOSITE PRICE PER GALLON: \$.620

ESTIMATED 3 YEARS USAGE/GALLONS: 81,000

EXTENSION: \$ 50,220.00

SIGNATURE OF BIDDER WITH BUSINESS ADDRESS THIS _____ DAY OF _____, 1995.

Amerigas Propane, L.P.
3200 E. Pacheco
Los Banos, CA 93635

**BID DATES FROM NOTICE OF AWARD THROUGH JUNE 30, 1998. THIS BID AWARD
MAY BE EXTENDED AS DETERMINED BY THE MARIPOSA COUNTY BOARD OF
SUPERVISORS WITHOUT REBID.**

**CONTRACT BID SHEET
COUNTY OF MARIPOSA - LPG HEATING FUEL
PWB 95-01**

BASE PRICE PER GALLON:	\$ <u> .350 </u>
DIFFERENTIAL FROM BASE PRICE: (Price to include: removal, installation and tank rental)	\$ <u> .360 </u>
COMPOSITE PRICE PER GALLON:	\$ <u> .710 </u>
ESTIMATED 3 YEARS USAGE/GALLONS:	<u> 81,000 </u>
EXTENSION:	\$ <u> 57,510.00 </u>

SIGNATURE OF BIDDER WITH BUSINESS ADDRESS THIS _____ DAY OF _____, 1995.

**Pro-Flame Gas Company.
P. O. Box 1146
Mariposa, CA 95338**

**BID DATES FROM NOTICE OF AWARD THROUGH JUNE 30, 1998. THIS BID AWARD
MAY BE EXTENDED AS DETERMINED BY THE MARIPOSA COUNTY BOARD OF
SUPERVISORS WITHOUT REBID.**

**CONTRACT BID SHEET
COUNTY OF MARIPOSA - LPG HEATING FUEL
PWB 95-01**

BASE PRICE PER GALLON:	\$ <u> .350 </u>
DIFFERENTIAL FROM BASE PRICE: (Price to include: removal, installation and tank rental)	\$ <u> .360 </u>
COMPOSITE PRICE PER GALLON:	\$ <u> .710 </u>
ESTIMATED 3 YEARS USAGE/GALLONS:	<u> 81,000 </u>
EXTENSION:	\$ <u> 57,510.00 </u>

SIGNATURE OF BIDDER WITH BUSINESS ADDRESS THIS _____ DAY OF _____, 1995.

**Suburban Propane
P. O. Box 791
Mariposa, CA 95338**

**BID DATES FROM NOTICE OF AWARD THROUGH JUNE 30, 1998. THIS BID AWARD
MAY BE EXTENDED AS DETERMINED BY THE MARIPOSA COUNTY BOARD OF
SUPERVISORS WITHOUT REBID.**