



Administered by  
**UNIVERSITY OF MAINE SYSTEM**  
Office of Strategic Procurement

**REQUEST FOR BIDS**

**#6 Fuel Oil**  
**University of Southern Maine**

**RFB # 28-08**

ISSUE DATE:  
May 27, 2008

BIDS MUST BE RECEIVED BY:  
Tuesday, June 10, 2008, 11:00 am  
(See Section Two for details)

DELIVER BIDS TO:

University of Maine System  
Office of Strategic Procurement  
Attn: Hal Wells  
16 Central Street  
Bangor, ME 04401

## SECTION ONE

### 1.0 GENERAL INFORMATION:

- 1.1 The University of Maine System, acting through the University of Southern Maine is seeking quotations from fuel oil distributors to supply # 6 fuel oil as outlined herein.
- 1.2 The University of Southern Maine will hereinafter be referred to as the "University." Respondents to the RFB shall be referred to as "Bidders." The Bidder to whom the contract is awarded shall be referred to as the "Contractor."
- 1.3 Purpose: The University is requesting pricing for its # 6 oil in three ways (1) a mark-up over Oil Buyers' Guide (OBG) (2) fixed price prepaid and (3) fixed price pay-as-delivered.
- 1.4 Requirements: The contract shall cover the actual needs of the University throughout the term of the contract regardless of whether volumes are more or less than the estimated quantities shown.

University of Southern Maine's Portland Heating Plant **7,138 bbls**

Month	Number of barrels	Month	Number of barrels
July	0,000	January	1,300
August	0,000	February	1,200
September	0,000	March	1,000
October	650	April	650
November	850	May	325
December	1,000	June	163

- 1.5 Evaluation Criteria: Award will be to the low bidder if all other requirements are satisfactorily met. However, consideration will be given to the degree of acceptance of the University's contract terms by the bidder and the bidder's ability to deliver required services.
- 1.6 Award: It is the intent of the University to award this bid all to one bidder. The University reserves the right to conduct any tests it may deem advisable and to make all evaluations. The University reserves the right to reject any or all bids, in whole or in part and is not necessarily bound to accept the lowest bid if that bid is contrary to the best interests of the University. The University reserves the right to waive minor irregularities. Scholarships, donations, or gifts to the University will not be considered in the evaluation of bids. A bid may be rejected if it is in any way incomplete or irregular. When there are tie bids, there shall be a preference for "in-state bidders". When tie bids are both in-state or both out-of-state, the award will be made to the bid that arrives **first** at the Office of Strategic Procurement.

**Contract award will be made on Tuesday, June 10, 2008 NLT 1:30 p.m.**

- 1.7 Award Protest: Bidders may appeal the award decision by submitting a written protest to the University of Maine System's Director of Strategic Procurement within five (5) business days of the date of the award notice, with a copy of the protest to the successful bidder. The protest must contain a statement of the basis for the challenge.
- 1.8 Debarment: Submission of a signed bid in response to this solicitation is certification that your firm (or any subcontractor) is not currently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any State or Federal department or agency. Submission is also agreement that the University will be notified of any change in this status.

## SECTION TWO

### 2.0 BIDDING REQUIREMENTS

- 2.1 Bid Understanding: By submitting a bid, the bidder agrees and assures that the sites have been examined and that the specifications are adequate.
- 2.2 **Exceptions to University Contract Terms: Any exceptions to the University's contract terms and conditions should be clearly noted in your response. Failure to comply may cause the bid to be rejected.**
- 2.3 Costs of Preparation: Bidder assumes all costs of preparation of the bid and any presentations necessary to the bidding process.
- 2.4 Communication with the University: It is the responsibility of the bidder to inquire about any requirement of this RFB that is not understood. Responses to inquiries, if they change or clarify the RFB in a substantial manner, will be forwarded by addenda to all parties that have received a copy of the RFB. The University will not be bound by oral responses to inquiries or written responses other than addenda.

Inquiries must be made to:        Hal Wells  
   Office of Strategic Procurement  
   University of Maine System  
   16 Central Street  
   Bangor, Maine 04401  
   (207) 973-3302 phone  
   (207) 973-3322 fax

- 2.5 Submission: On Tuesday, June 10, 2008 NLT 11:00 a.m. bidders shall submit their bids via electronic means by:
- E-mail to [hcwells@maine.edu](mailto:hcwells@maine.edu) or
  - Facsimile to (207) 973-3322
  - Should any bidder find itself unable to submit electronic bids on Tuesday, that bidder or those bidders will be permitted to submit by telephone to (207) 973-3302

Bidders are to use the Submission Pages and the Signature Page at the end of this document.

There will be no public opening of the bids.

Contract award will be made on Tuesday, June 10, 2008 NLT 1:30 p.m.

## SECTION THREE

### 3.0 GENERAL TERMS AND CONDITIONS:

- 3.1 **Assignment:** Neither party of the contract shall assign the contract without the written consent of the other, nor shall the Contractor assign any money due or to become due without the previous written consent of the University.
- 3.2 **Contract Documents:** If a separate contract is not written, the contract entered into by the parties shall consist of the Request for Bids, the signed bid submitted by the Contractor, the specifications including all modifications thereof and a purchase order, all of which shall be referred to collectively as the Contract Documents.
- 3.3 **Contract Modification and Amendment:** The parties may adjust the specific terms of this contract (except for pricing) where circumstances beyond the control of either party require modification or amendment. Any modification or amendment proposed by the Contractor shall be in writing to the Office of Strategic Procurement. Any agreed upon modification or amendment will be in writing and signed by both parties.
- 3.4 **Contract Term:** The contract term shall begin with contract award and will end June 30, 2009.
- 3.5 **Cancellation/Termination:** If the Contractor defaults in its agreement to provide fuel oil to the University's satisfaction, or in any other way fails to provide service in accordance with the contract terms, the University shall promptly notify the Contractor of such default and if adequate correction is not made within 48 hours, the University may take whatever action it deems necessary to provide alternate services and may, at its option, immediately cancel this contract with written notice. Except for such cancellation for cause by the University, the University may terminate this contract by giving 30 days advance written notice to the Contractor. Cancellation does not release the Contractor from its obligation to provide goods or services per the terms of the contract during the notification period.
- 3.6 **Contract Administration:**
- The coordination of day-to-day activities for the University of Southern Maine Central Heating Plant is the responsibility of:
- Gary Porter  
University of Southern Maine  
Heating Plant  
Portland, ME 04104  
207-780-4167
- 3.7 **Clarification of Responsibilities:** If the Contractor needs clarification of or deviation from the terms of the contract, it is the Contractor's responsibility to obtain written clarification or approval from:
- Dave Early  
University of Southern Maine  
Director of Facilities Management  
96 Falmouth Street  
Portland, ME 04104  
207-780-4656
- 3.8 **Performance Bond:** If the fixed price **prepaid** option is selected, the Contractor will be required to furnish a 100% performance bond with a declining balance from a bonding

company acceptable and recognized to do business in the State of Maine.

- 3.9 Indemnification: The Contractor agrees to be responsible for, and to protect, save harmless, and indemnify the University from and against all loss, damage, cost and expense (including attorney's fees) suffered or sustained by the University or for which the University may be held or become liable by reason of injury (including death) to persons or property or other causes whatsoever, in connection with the operations of the Contractor under this agreement.
- 3.10 Independent Contractor: Whether the Contractor is a corporation, partnership, other legal entity, or an individual, the Contractor is an independent contractor. If the Contractor is an individual, the Contractor's duties will be performed with the understanding that the Contractor is a self-employed person, has special expertise as to the services which the Contractor is to perform and is customarily engaged in the independent performance of the same or similar services for others. The manner in which the services are performed shall be controlled by the Contractor; however, the nature of the services and the results to be achieved shall be specified by the University. The Contractor is not to be deemed an employee or agent of the University and has no authority to make any binding commitments or obligations on behalf of the University except expressly provided herein. The University of Maine System has prepared specific guidelines to be used for contractual agreements with individuals (not corporations or partnerships) who are not considered employees of the System.
- 3.11 Contractor's Liability Insurance: During the term of this agreement, the Contractor shall maintain the following insurance:

<u>Insurance Type</u>	<u>Coverage Limit</u>
1. Commercial General Liability (Written on an Occurrence-based form)	\$1,000,000 per occurrence or more (Bodily Injury and Property Damage)
2. Automobile Liability (Including Hired & Non-Owned)	\$1,000,000 per occurrence or more (Bodily Injury and Property Damage)
3. Workers Compensation (In Compliance with Applicable State Law)	Required for all personnel

The University of Maine System shall be named as Additional Insured on the Commercial General Liability insurance.

Certificates of Insurance for all of the above insurance shall be filed with:

Office of Strategic Procurement  
University of Maine System  
16 Central Street  
Bangor, Maine 04401

Certificates shall be filed prior to the date of performance under this Agreement. Said certificates, in addition to proof of coverage, shall contain the standard Acord statement pertaining to written notification in the event of cancellation, with a thirty (30) day notification period.

As additional insured and certificate holder, the University should be included as follows:

University of Maine System  
16 Central Street  
Bangor, Maine 04401

- 3.12 Litigation: This Contract and the rights and obligations of the parties hereunder shall be

governed by and construed in accordance with the laws of the State of Maine. The Contractor agrees that any litigation, action or proceeding arising out of this contract, shall be instituted in a state court located in the State of Maine.

3.13 Equal Opportunity: In the execution of the contract, the Contractor and all subcontractors agree, consistent with University of Maine System policy, not to discriminate on the grounds of race, color, religion, sex, sexual orientation, transgender status or gender expression, national origin or citizenship status, age, disability or veteran's status and to provide reasonable accommodations to qualified individuals with disabilities upon request.

3.14 Sexual Harassment: The University is committed to providing a positive environment for all students and staff. Sexual harassment, whether intentional or not, undermines the quality of this educational and working climate. The University thus has a legal and ethical responsibility to ensure that all students and employees can learn and work in an environment free of sexual harassment. Consistent with the state and federal law, this right to freedom from sexual harassment was defined as University policy by the Board of Trustees.

Failure to comply with this policy could result in termination of this contract without advance notice. Further information regarding this policy is available from University of Southern Maine, Office of Diversity and Equity, 246 Deering Avenue, Law Building, Portland, ME, (207) 780-5094, TTY: 866-783-6461.

3.15 Smoking Policy: The University of Maine System must comply with the "Work place Smoking Act of 1985" and MRSA title 22, 1541 et seq, "Smoking Prohibited in Public Places." In compliance with this law, the University of Maine System has prohibited smoking in all University System buildings except in designated smoking areas. This rule must also apply to all contractors and workers in existing University System buildings. The Contractor shall be responsible for the implementation and enforcement of this requirement within existing buildings.

3.16 Contract Validity: In the event one or more clauses of the contract are declared invalid, void, unenforceable or illegal, that shall not affect the validity of the remaining portions of the contract.

3.17 Employees: The Contractor shall employ only competent and satisfactory personnel and shall provide a sufficient number of employees to perform the required services efficiently and in a manner satisfactory to the University. If the Contract Administrator or designee, notifies the Contractor in writing that any person employed on this contract is incompetent, disorderly, or otherwise unsatisfactory, such person shall not again be employed in the execution of this contract without the written consent of the Contractor Administrator.

3.18 Non-Waiver of Defaults: Any failure of the University to enforce or require the strict keeping and performance of any of the terms and conditions of this Contract shall not constitute a waiver of such terms, conditions, or rights.

## SECTION FOUR

### 4.0 PERFORMANCE TERMS AND CONDITIONS

4.1 Condition and Care of Site and Protection of the Work: The Contractor shall continuously maintain adequate protection of all work covered by the Contract from damage and shall protect the property from injury or loss arising in connection with this contract, and shall make good any such damage, injury or loss. The Contractor shall adequately protect adjacent property as provided by law and the Contract Documents.

#### 4.2 Deliveries:

4.2.1 Must comply with Department of Transportation regulations Title 49 of the Code of Federal Regulations.

4.2.2 No. 6 fuel oil must be delivered at a temperature sufficient to readily transfer into University storage tanks.

4.2.3 Delivery slips must be sent to:  
Paul Kuplinski  
University of Southern Maine  
Facilities Management  
96 Falmouth Street  
PO Box 9300  
Portland, ME 04104

4.2.4 Will be automatic unless otherwise requested and shall be signed by the employee responsible for receiving fuel at the University.

4.2.5 Must be completed by 8:00 a.m.

4.3 Sulfur Content: The Sulfur content of #6 oil shall not exceed 2%.

4.4 Oil Analysis Reporting: The Contractor must supply the University oil analysis information each month, upon request, and when percentages change. The analysis breakdown shall be as follows:

Gravity, API @ 60 degrees F  
Flash Point  
Viscosity, SSF @ 122 degrees F  
Pour Point (degrees F)  
Water and Sediment (%)  
Sulfur - wt %  
Ash - wt %  
Vanadium - ppm  
Sodium - ppm  
Nitrogen - wt %  
BTU per Barrel, on pound or gallon

4.5 Oil Spills: The Contractor shall be responsible for complete and immediate clean up of any fuel oil spills internal or external, caused by their negligence, equipment, or employees in accordance with all applicable regulations and statutes. "Clean up" means that there will be no remaining trace of oil contamination.

Contractor must notify Dave Early, Director of Facilities Management, 96 Falmouth Street, PO Box 9300, Portland, ME 04104, in writing within twenty-four (24) hours of any incident whether such spill has resulted in any type of contamination, such as soil or groundwater.

4.6 Price Information:

4.6.1 Taxes: Prices quoted shall not include any taxes. Taxes shall not be charged or billed for unless the existing laws exempting governmental units from paying these taxes are changed during the contract period. The University is exempt from all Federal Excise Tax.

4.6.2 Environmental Fees: State of Maine environmental fees should be listed as a separate line item on the invoice.

4.6.3 Mark-up over Oil Buyers' Guide (OBG) Option: the mark-up and MPUC transportation costs will remain fixed during the contract period and will be added to the Oil Buyers' Guide (OBG) Petroleum Price Supplement listed price for U.S. East Coast, current spot, low cargo price in effect each Monday to determine the net selling price to the University. The selling price will remain firm for the week and will change on the Monday following the date new Oil Buyers' Guide posted prices are listed.

4.6.4 Fixed price prepaid Option: the quantity ordered will be set at the time a price is accepted and a purchase order is issued. Payment will be made after receipt and acceptance of a performance bond from the Contractor and after July 1, 2008 whichever is later.

4.6.5 Fixed price pay-as-delivered Option: the quantity ordered will be set at the time a price is accepted and a purchase order is issued.

4.6.6 Payment: For the Mark-up over Oil Buyers' Guide (OBG) or Fixed price pay-as-delivered option payment will be made upon submittal of an invoice to Facilities Management, 96 Falmouth St, PO Box 9300, Portland, Maine 04104 on a Net 30 basis unless discount terms are offered. Invoices must include the purchase order number; identify the type of fuel and quantity delivered.

4.6.7 The bid price shall include all charges including insurance, tariffs (including a North American Free Trade Certificate provided to the broker of our choice), transportation costs and all other costs. Charges not specified in the bid will not be honored. Environmental fees, though listed, may be changed as the state changes them, except on the fixed price prepaid option. Fixed price pay-as-delivered option pricing shall remain firm for the term of the contract except for changes in the environmental fees.

4.7 Continuation: Under the Fixed price prepaid and Fixed price pay-as-delivered Options the quantity of fuel purchased is pre-determined. In order to meet actual requirements and as directed by the University, the Contractor shall supplement fixed price purchases with additional product purchased at the Mark-up over Oil Buyers' Guide (OBG) Option pricing.

4.8 Spill Prevention Plan: The Contractor must submit a written copy of their "Spill Prevention Control and Countermeasures Plan" indicating what equipment, procedures and assistance they will provide in the event of a fuel spill (major or minor) as well as what assistance and procedures they will provide in the event of a leaking fuel tank. This document will be incorporated into the University's "Spill Prevention Control and Countermeasure Plan". All deliveries must comply with Department of Transportation regulations Title 49 of Code of Federal Regulations.



SECTION FIVE

SUBMISSION PAGES

On Tuesday, June 10, 2008 NLT 11:00 a.m. bidders shall submit their bids via electronic means by:

- email to [hcwells@maine.edu](mailto:hcwells@maine.edu) or
- facsimile to (207) 973-3322
- **Should any bidder find itself unable to submit electronic bids on Tuesday, that bidder or those bidders will be permitted to submit by telephone to (207) 973-3302**

5.0 PRICING FOR #6 OIL - UNIVERSITY OF SOUTHERN MAINE – PORTLAND MAINE

5.1 Option I: **Mark-up over Oil Buyers' Guide (OBG) Option:** The University shall purchase the full amount needed to heat the campus or the amount needed to supplement its fixed price purchase of oil.

Price as listed in Bloomberg Oil Buyers' Guide Petroleum Price Supplement for U.S. East Coast, current spot, low cargo price, 2% sulfur, low-pour #6 oil.

Supplement Posted Price dated May 23, 2008	\$89.00 / barrel
Plus Markup	\$ _____
Plus MPUC approved transportation cost per bbl.	\$ _____
Environmental Fee (Ground Water)	\$ _____
Environmental Fee (Surface Oil Clean-up Fund)	\$ _____
<b>Net selling price per barrel</b>	<b>\$ _____</b>

5.2 Mark-up over OBG with subsequent fixed price option:

For pricing based on a mark-up over OBG, the University is requesting that bidders offer an option throughout the contract year allowing the University to purchase the remainder of its #6 oil requirements at a fixed price when market conditions are deemed favorable. The University may request a fixed price offer from its contractor and then determine if it wishes to switch its contract from mark-up over OBG to fixed price. Indicate if you would be willing to offer this option.

\_\_\_\_\_ Yes, subsequent fixed prices will be offered at the request of the University through the contract period

5.3 Option II: **Fixed Price Prepaid Option:** Portland Central Heating Plant, 7,000 barrels (42 gal/bbl) 2% sulfur #6 Heavy Fuel Oil.

Fixed Price Prepaid cost \$ \_\_\_\_\_

The price fixed now, payment for the oil will be after July 1, 2008. All costs must be included in this option including the current ground water and surface oil clean-up fund

Quote valid until \_\_\_\_\_

5.4 Option III: **Fixed Price Pay-As-Delivered Option:** Portland Central Heating Plant 7,000 barrels (42 gal/bbl) 2% sulfur #6 Heavy Fuel Oil.

Fixed Price pay-as-delivered including transportation \$ \_\_\_\_\_  
and markup.

Environmental Fee (Ground Water) \$ \_\_\_\_\_

Environmental Fee (Surface Oil Clean-up Fund) \$ \_\_\_\_\_

Quote valid until \_\_\_\_\_

SIGNATURE PAGE

COMPANY NAME: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Cell Phone)

\_\_\_\_\_  
(E-mail Address)

\_\_\_\_\_  
(Date)