

# COUNTY OF ULSTER

## PURCHASING DEPARTMENT

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MICHAEL P. HEIN  
County Executive

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Director of Purchasing



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Deputy Director of Purchasing

## RFB-UC14-13 FUEL PRODUCTS

FOR ALL MUNICIPALITIES, FIRE COMPANIES AND POLITICAL  
SUBDIVISIONS, WITHIN ULSTER COUNTY, AS AUTHORIZED BY LAW

TERM: MAY 1, 2014 - APRIL 30, 2016

ADDERS/DISCOUNT FROM APPROPRIATE INDEX

CONTACT THE APPROPRIATE VENDOR FOR THE INDEX APPLICABLE AT THE DATE OF DELIVERY

			<u>ADDER</u>
HERITAGENERGY	1A	<u>No. 2 HEATING FUEL</u>	0.1272
HERITAGENERGY	1B	" TANKER LOADS	0.0676
HERITAGENERGY	2A	<u>DIESEL – NYS ULS PREMIUM #2PD</u>	-0.0487
HERITAGENERGY	2B	DIESEL TANKER LOADS	-0.0637
HERITAGENERGY	2B	DIESEL – PICKUP	-0.0637
HERITAGENERGY	2D	WINTER MIX – #2PD DIESEL BLENDED WITH THE APPROPRIATE RATIO OF #1D KEROSENE TO MEET SPECIFIED LOW TEMPERATURE PERFORMANCE REQUIREMENTS – Invoiced as % #2PD Diesel (Adder above) and % 1D Kerosene (Newburgh Average) at Adder	-0.1963
BOTTINI	3A	<u>GASOLINE 87 OCTANE</u>	0.1500
BOTTINI	3A	<u>GASOLINE 89 OCTANE</u>	0.1500
BOTTINI	4	<u>KEROSENE</u> – Heating Fuel	0.1900
HERITAGENERGY	5	<u>PROPANE</u>	0.20389

**HERITAGENERGY** – PO Box 797, Lake Katrine, NY 12449

**Billing and Account Setup:** Anne Ede, Phone: 336-2000 ext. 3306

**Delivery and tank setup Contact:** Chris Courchaine - Phone: 336-2000 ext 3325

**Emergency Contact:** James Stoothoff - Phone: 336-2000 ext. 3313, Cell: 845-417-8600

**BOTTINI FUEL** - 2785 West Main Street, Wappingers Falls, NY 12590

**Service Contact:** Vincent Eagan, Jr. - Phone (845) 297-5580, ext. 1309

**Emergency Contact:** Matt Leach – Phone 246-4931 x5 x3211 or Cell 518-821-5001

#### 41.0 PRICE REVISIONS – ESCALATION / DE-ESCALATION

The “adder” offered by the Awarded vendor shall be firm and constant for the entire contract period. The actual price of the fuel will be determined by combining this adder with the current index as published in the *OPIS Oil Price Daily* (for all products except Propane) in accordance with the procedure described below.

##### Kerosene, No. 2 Fuel Oil and Ultra Low Sulfur Diesel Fuel

The simple average of the high and low prices of the “**Newburgh, NY**” rack price shown in the *OPIS Oil Price Daily* postings will be used to compute weekly fuel prices during the contract period for **Kerosene, No. 2 Fuel Oil and Ultra Low Sulfur Diesel Fuel**. The cost of the appropriate product will be determined from the prices posted on **Thursday** of each week. The Awarded “adder” will be combined with the simple average of the high and low prices of the “**Newburgh, NY Rack Price**” to determine the fuel cost for the following Friday through Thursday. Each Thursday the Awarded vendor will submit, to requesting users, a form on their letterhead showing the index price and calculation used to establish prices for fuel delivered during the following seven days.

The aforementioned calculation will be applied to determine fuel prices throughout the contract period. Price revisions will be rounded at four (4) decimal places. Applicable price changes will be effective as of the start of business on the following day, **Friday**. If the prices are not posted on **Thursday**, the previous business day on which the specified prices are posted will be utilized. If there is a problem of availability of prices from the Oil Price Daily, this should be brought to the attention to the Director of Purchasing and the issue will be resolved at that time.

Winter mix Diesel will be invoiced differently from previous seasons. Billing will follow the NYS contract guidelines which are to invoice a percentage mix of both diesel and kerosene to meet the NYS and UC winter temperature requirements at the time of delivery. A “#1D Kerosene blended with #2PD diesel” price will be added to our contract. In billing for winter mixes, invoices will include the current Contract price for each grade/type mixture furnished to compute the total price.

Billing Example: If the temperature calls for an 8/2 ratio to prevent gelling of fuel, Heritage will provide a blend of 80% diesel premixed with 20% kerosene billed as;

800 gallons x adjusted 2PD price = total cost of 2PD product  
200 gallons x adjusted 1D (kero) price = total cost of 1D product

Invoice total of both = total cost of delivery

The pricing offered by Heritagenergy will require the following invoicing and payment terms;

- \*Delivery tickets will be left at an agreed upon designated site
- \*Electronic copies of delivery tickets will be e-mailed to a designated party

\*Invoices will be e-mailed to a designated party for verification and immediate processing. (Vouchers, if required, are the responsibility of the using agency to submit to the Awarded Vendor.)

\*Payments must be received within 30 days of the date of delivery

This is very similar to the current procedures that we follow but cooperation at all levels will be necessary to meet this payment timeframe and retain this very favorable pricing.

### **Gasoline, Conventional**

The average of the "Reseller Rack" price for Branded Ethanol Gasoline for "Albany, NY" shown in the OPIS Oil Price Daily postings will be used to compute weekly fuel prices during the contract period for **Conventional Gasoline**. The cost of the appropriate product will be determined from the prices posted on Thursday of each week. The Awarded "adder" will be combined with the average of the "Reseller Rack" price for Branded Ethanol Gasoline for Albany, NY to determine the fuel cost for the following Friday through Thursday. Each Thursday the Awarded vendor will submit, to requesting users a form on their letterhead showing the index price and calculation used to establish prices for gasoline delivered during the following seven days.

The aforementioned calculation will be applied to determine fuel prices throughout the contract period. Price revisions will be rounded at four (4) decimal places. Applicable price changes will be effective as of the start of business on the following day, Friday. If the prices are not posted on Thursday, the previous business day on which the specified prices are posted will be utilized. If there is a problem of availability of prices from the Oil Price Daily, this should be brought to the attention to the Director of Purchasing and the issue will be resolved at that time.

### **LP Propane**

Price adjustments for Propane are based on the BPN Weekly Propane Newsletter Average Price at the Selkirk rack as found in their publication dated each Monday. The Awarded "adder" will be combined with the price posted in the Monday publication to determine the price for the week beginning the previous Saturday through the following Friday. If there is a problem of availability of prices from the BPN, or the specified Terminal is not available for deliveries, this should be brought to the attention to the Director of Purchasing and the issue will be resolved at that time.

The aforementioned calculation will be applied to determine propane prices throughout the contract period. Price revisions will be rounded at four (4) decimal places. The successful bidder will notify the proper agencies as to escalation or de-escalation of Propane prices ON A WEEKLY BASIS, effective Saturday through Friday. This Notice shall combine the Selkirk Average number published on Monday with the "adder" Awarded to the vendor and indicate the new cost per gallon for deliveries to the end user made during the designated week.