

"Village with a Past, City with a Future"



210 Fidalgo Avenue, Kenai, Alaska 99611-7794
Telephone: 907-283-7535 / Fax: 907-283-3014
www.ci.kenai.ak.us

ADDENDUM NO. 1

This addendum consists of 3 pages

TO: All Bid Packet Holders
FROM: City of Kenai Public Works Department
DATE: June 7, 2018
SUBJECT: Invitation to Bid – Fuel Furnish & Deliver 2018
DUE DATE: ****REVISED**** **June 12, 2018, by no later than 2:00 PM**

Bidders must acknowledge receipt of this Addendum in the appropriate place on the Bid Form. Failure to do so may result in the disqualification or rejection of the bid.

Note: Information in this addendum takes precedence over original information. All other provisions of the document remain unchanged.

<u>ITEM NO.</u>	<u>REFERENCE</u>	<u>DESCRIPTION</u>
01-01	Clarification	<i>As noted above Bids Due date is now changed to June 12, 2018 by 2:00pm; last day for questions will now be June 8, 2018 by 5:00pm.</i>
01-02	Plan Holder Question	Q: Is the bid due date 2PM Friday, June 8, 2018 or is it 2PM Tuesday, June 12, 2018? A: <i>The advertisement for Bid incorrectly stated Bids were due on Tuesday June 8th. June 8th is actually a Friday. As noted above Revised Bids Due date is now June 12, 2018.</i>
01-03	Plan Holder Question	Q: Oil Price Information Service (OPIS) is a paid subscription and not allowed to be copied or distributed. If the City is mandating that an OPIS report be provided with each invoice, is the City willing to pay for the OPIS subscription? https://www.opisnet.com/subscription-agreement/

2. The successful Bidder must subscribe to the Oil Price Information Service (OPIS.) A trial subscription is available to meet the bid requirement to provide a report with your bid package. Bidder shall provide a copy of the OPIS CONTRACT BENCHMARK FILE showing the OPIS GROSS ULTRA LOW SULFUR DISTILLATE price information with their bid, and with every invoice. The date on the OPIS report submitted with the bid must match the bid date. The OPIS reports submitted with invoices must match the invoice date. The successful Bidder's per gallon bid price will be adjusted for each invoice based on the OPIS UBD RACK AVG (Unbranded Rack Average.) The bid price shall be adjusted by the same percentage the OPIS UBR RACK AVG changed. The adjusted price per gallon shall be rounded to the nearest \$0.001.

EXAMPLE

Bid Price \$3.345/gallon
OPIS UBD RACK AVG on Bid Day 380.67
OPIS UBD RACK AVG on Invoice Date 399.70
Adjusted Invoice \$/gallon = $\$3.345 \times 399.70 / 380.67 = \$3.512/\text{gallon}$

A: Per Section F2 of the specifications, contractor shall provide the OPIS report with each individual monthly invoice. If this requires a subscription, the cost shall be included in the contractor's Bid.

01-04 Plan Holder Question Q: The example pricing indicates changes be adjusted by percentages. Our system can only price by the exact change between the posted index dates.

EXAMPLE

"Bid Price \$3.345/ gallon
OPIS UBD RACK AVG on Bid Day 380.67
OPIS UBD RACK AVG on Invoice Date 399.70
Adjusted Invoice \$/gallon = $\$3.5353/\text{gallon}$
($399.70 - 380.67 = 19.03$ cpg)

A: The formula shall remain as indicated within the Bid Documents. The Owner may, at Owner's discretion, elect to work with the successful bidder in the event there is a billing software issue, however the end result costs will still be based on the existing formula within the bid documents.

01-05 Plan Holder Question Q: Who currently has the supply/delivery contract?

A: Crowley Fuels LLC

01-06 Plan Holder Question Q: What prices were awarded for the current contract? I believe is the public information?

A: The City is electing not to provide this information at this time.

01-07 Plan Holder Question Q: There is not an OPIS Unbranded Rack Average posting for Nikiski or Kenai. What price index should we use for the bid?

A: Contractor shall utilize the nearest available appropriate price index to the City of Kenai.

01-08 Plan Holder Question Q: Bid due date states, 2PM Tuesday, June 8th? And, the OPIS pricing to be used is June 8th. Can we possible use a day of the week prior to the bid due date?
A: *The City will accept OPIS pricing data from either June 11th or June 12th.*

END OF ADDENDUM 1