



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

January 25, 2012

TO: ALL OFFERORS

FROM: PETER KOROLYK
STATE CONTRACT PROCUREMENT OFFICER

SUBJECT: ADDENDUM TO INVITATION TO BID
CONTRACT NO. GSS12503-BIODIESEL
BIODIESEL – B20 AND B5 FUELS

ADDENDUM #1

This addendum extends the bid opening date until February 7, 2012 at 1:00 PM (Local Time).

Additionally, this addendum clarifies a bidder's ability to offer an alternative benchmark for B20 and B5 biodiesel fuel products, alters one of the additives requested, posts a 'revised' Appendix A – Pricing spreadsheet, and responds to vendor questions about the bid requirements.

1. In the Special Provisions of the Invitation to Bid (ITB) for Contract No. GSS12503-BIODIESEL, Government Support Services has requested each vendor to bid on a blended price for B20 and B5 biodiesel fuel products. The blended price equates to:

B20 = 20% B100 SME Biodiesel + 80% Ultra Low Sulfur Diesel
B5 = 5% B100 SME Biodiesel + 95% Ultra Low Sulfur Diesel

Each bidding vendor shall provide a bid that meets the stated requirements. The Appendix A – Pricing Spreadsheet is designed to accept this calculated bid format. **This requirement remains unchanged, and any vendor seeking the award for the contract must bid to this specification at a minimum.**

Government Support Services will also accept one (1) alternative benchmark suggestion for each fuel requested in comparison to the separately calculated standard. Therefore, if a vendor seeks to offer a market B20 or B5 benchmark price (i.e. Philadelphia or Baltimore biodiesel OPIS posted market price), the vendor **MUST** list the alternative in the ITB Exceptions form. Additionally, the Appendix A – Pricing spreadsheet has been revised to allow for an alternative benchmark offer for the B20 and B5 fuel products.

VENDORS MUST CLEARLY IDENTIFY alternative benchmarks on the ITB Exceptions form. Government Support Services will review the pricing submitted, and any benchmark alternatives, to

determine which pricing structure provides the lowest cost alternative and serves the best interests of the state.

2. Within the Invitation to Bid, item #13 of the Technical Specifications has been changed. **Soyshield #139 is not currently being utilized by the state agencies.**

Innospec Fuel Specialties 7725 is the diesel fuel additive currently being utilized to treat the biodiesel product received. The Innospec 7725 fuel additive is described as a multifunctional middle distillate fuel additive that provides detergency and lubricity, while maintaining fuel economy and emission control. The additive has been formulated for low sulfur and ultra-low sulfur applications.

Additional general descriptions include:

- Superior detergency keeps injectors clean and maintains engine performance
- Removes and prevents deposits
- Improves thermal stability by reducing sludge formation
- Stabilizes stored fuel
- Non-acid, fully synthetic lubricity
- Caustic-resistant corrosion inhibitor
- Water dispersant
- Treatment rate of one (1) gallon fuel additive to fifteen hundred (1,500) gallons diesel fuel

Since the Innospec 7725 fuel additive has replaced the Soyshield #139 in the bid specifications, vendors should list the price for the Innospec fuel additive in the Appendix A – Pricing spreadsheet. The Appendix A has been amended to meet this modified requirement.

The Innospec 7725 fuel additive identified is the preferred by the state agencies, but bidders may offer an alternative fuel additive product. **Any alternative fuel additive products MUST BE CLEARLY IDENTIFIED in the ITB Exceptions form.** Pricing for the fuel additive must also be clearly identified. GSS requests that any bidder offering a fuel additive other than the Innospec product should provide descriptive material with their bid to identify the product efficacy.

3. **The REVISED Appendix A – Pricing Spreadsheet has been posted to the bid solicitation directory.** For clarity, Government Support Services changed the language in the pricing spreadsheet for the two (2) requested fuel treatments. GSS wants to know how much additional cost is associated with adding a Winter additive to each gallon of delivered Biodiesel. GSS also requires each bidder identify how much each gallon of delivered Biodiesel is increased by adding the Innospec 7725 fuel additive.

GSS also added an additional tab to make offering an alternative benchmark easier for each bidder. If an alternative benchmark is offered, each vendor **MUST** identify in the ITB Exceptions form that an alternative has been presented.

Bidder Questions and Answers

The following questions have been submitted about the bid documentation:

4. Can you do better than 30 days for payment terms, i.e. Net 10 or Net 15?

DE Code provides that State with 30 days to pay. If a vendor wants to offer a discount for quicker payment, please identify in the ITB Exceptions form of your proposal.

5. Have any addendums been released for this bid?

This addendum is the only addendum that has been posted for this current bid opportunity. However, per the terms provided, it is the vendor's responsibility to check the bid solicitation directory for any future posted addendums. The bid solicitation directory is at:

www.bids.delaware.gov

6. When is the award date?

The anticipated award date is on or before February 14, 2012. However, this is subject to change due to the quick turnaround time.

7. When is the first board meeting after the opening?

There is no 'board' meeting prior to issuing an award.

8. Will decision be made before or at board meeting?

See prior response.

9. Will any of the tanks require a tank wagon delivery instead of a transport delivery? If so, which tanks at what locations will require pumps?

The current tanks listed in the bid solicitation can accept tanker deliveries. However, because other state or eligible agencies may join the contract at a later time, they may require tank wagon delivery options.

10. Will a firm fixed price be considered?

A firm price is not being considered at this time. GSS has determined that a floating price serves the best interests of the state.

11. If we were to insert any conditions into our alternate firm fixed bid, would they be taken into consideration or rejected? Sample attached, please indicate which clauses would be acceptable and which clause would be cause for rejection?

Alternatives benchmarks may be stated in the ITB Exceptions form of the bid, and should be listed on the revised Appendix A. Submission of an alternative will not automatically cause a bid to be rejected. Besides questions submitted, no 'sample' had been attached to this email. The

State reserves the right to review and accept or reject exceptions individually or in aggregate, whichever serves the best interests of the State.

12. Will you split the award by tank wagon and transport?

GSS reserves the right to award by tank sizes which have been identified in the bid solicitation, which means the potential exists for a split award.

13. What are the delivery hours?

Some standard delivery hours are listed within the bid specifications, and unless specifically requested and arranged, typical deliveries shall not occur after 5:00 pm. Emergencies will require coordination with the requesting agency.

14. What is the average load size for biodiesel?

B20 utilization deliveries are listed in the Appendix B on the bid solicitation directory. Or, on the Biodiesel contract page, under Contract Usage information. The current contract page can be found at the following location: http://contracts.delaware.gov/contracts_detail.asp?i=6

15. Can we please have a list of bidders invited to submit a proposal?

This bid is open to all Biodiesel vendors; therefore, providing a list of potential bidders will not be possible.

16. Can deliveries be split between locations?

Deliveries to individual locations must be clear, accountable and auditable, and identify the number of gallons delivered. Therefore, 'splits' or estimates of gallons delivered will not be acceptable.

17. How many consecutive years has the current vendor been awarded?

Tri Gas and Oil Company is our current vendor, and has been the awarded vendor since February 15, 2006.

18. Do you consider common carriers to be subcontractors?

Yes.

19. If we do not attend the bid opening when can we receive a copy of the bid tabulations?

Bid tabulations will not be available for review until after an award is made. Once an award is completed, bid tabulations will be available for review by appointment, or may be acquired through a Freedom of Information Act request.

20. In General Provisions under MANDATORY INSURANCE REQUIREMENTS, it states Medical/Professional Liability - \$1,000,000 per person/\$3,000,000 per occurrence. I am told this is for Medical Malpractice. Do you require this for a Fuel Supplier?

Mandatory Insurance Requirements listed within the bid specifications require Comprehensive General Liability AND Medical/Professional Liability OR Miscellaneous Errors or Omissions OR Product Liability.

21. Can I submit an alternative to the pricing suggested?

Yes, bidders may offer an alternative to the calculated biodiesel price listed in the ITB. Bidders are required to list any alternatives in the ITB Exceptions form, and to price out on the revised Appendix A. Alternative benchmarks must be clear and unambiguous. Please refer to the top of this document for additional details.

22. Will the State accept daily prices for fuels requested?

Government Support Services requires any bidder to respond to the specifications as written, and bid a weekly price, which is calculated as of the end of day report on Tuesday evening. Vendors are permitted to take minor exception to any condition, but GSS reserves the right to reject or accept any and/or all exceptions noted, including benchmark alternatives.

23. Can the locations accept tanker deliveries?

The locations listed within the bid specifications can accept tanker deliveries.

24. What is the usage per location?

Aggregate usage by location is listed within the bid specifications. Appendix B – Utilization illustrates individual deliveries.

All other terms and conditions remain the same.

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