

City of Unalaska

**REQUEST FOR QUOTES
FUEL/OIL/SUPPORT SUPPLIES CONTRACT
May 22, 2014**

GENERAL

The City of Unalaska is seeking quotes from fuel and lubricating oil dealers to supply the City's heating oil, diesel engine fuels, unleaded gasoline, lubricating oils, and miscellaneous support supplies for a one-year period from July 1, 2014, to June 30, 2015, with a one year extension option by the City. Products must meet the specifications and requirements described in this RFQ. Quotes must be submitted on the attached form and must specify price for each item. Proposers may quote on individual items in this RFQ, and the City reserves the right to award separate contracts on individual items if the City determines it is in its best interest to do so.

SUBMITTAL

Questions regarding this RFQ should be directed to Lori Gregory, Department of Public Works and Utilities, at 581-1260. **Quotes must be submitted on the attached form and received at the following location/address no later than 2:00 p.m. local time on Friday, June 20, 2014.**

Office of the City Clerk
Unalaska City Hall
43 Raven Way
City of Unalaska
PO Box 610
Unalaska, Alaska 99685-610
Phone: (907) 581-1251
Fax: (907) 581-1417

Quotes must be submitted in a sealed envelope clearly labeled "Fuel/Oil/Supplies Contract Quote".

PRICING

Quotes shall be provided on the attached quote form in the units specified for each item.

For ultra low sulfur #2 diesel fuel (Items 1 & 2), proposers must submit prices based on the OPIS Seattle Average Wholesale price for ultra low sulfur #2 diesel fuel from the week ending Sunday, June 8, 2014, published Thursday, June 12, 2014 (OPIS Base Price). The price paid for fuel by the City in accordance with the contract resulting from this RFQ will be increased or decreased from the bid price by an amount equal to the difference between the OPIS Base Price for ultra low sulfur #2 diesel fuel and the OPIS

Seattle Average Wholesale price for ultra low sulfur #2 diesel fuel fourteen days prior to the date of delivery to the City.

For #2 diesel fuel (Item 3), proposers must submit prices based on the OPIS Seattle Average Wholesale price for diesel fuel #2 from the week ending Sunday, June 8, 2014, published Thursday, June 12, 2014, (OPIS Base Price). The price paid for fuel by the City in accordance with the contract resulting from this RFQ will be increased or decreased from the bid price by an amount equal to the difference between the OPIS Base Price for diesel fuel #2 and the OPIS Seattle Average Wholesale price for diesel fuel #2 fourteen days prior to the date of delivery to the City.

For ultra low sulfur #2 highway diesel fuel (Item 4), proposers must submit prices based on the OPIS Seattle Average Wholesale price for ultra low sulfur #2 diesel fuel from the week ending Sunday, June 8, 2014,, published Thursday, June 12, 2014 (OPIS Base Price). The price paid for fuel by the City in accordance with the contract resulting from this RFQ will be increased or decreased from the bid price by an amount equal to the difference between the OPIS Base Price for ultra low sulfur #2 diesel fuel and the OPIS Seattle Average Wholesale price for ultra low sulfur #2 diesel fuel fourteen days prior to the date of delivery to the City.

For unleaded gasoline (Items 5 & 6), proposers must submit prices based on the OPIS Seattle Average Wholesale price for unleaded gasoline from the week ending Sunday, June 8, 2014, published Thursday, June 12, 2014 (OPIS Base Price). The price paid by the City will be increased or decreased from the bid price by an amount equal to the difference between the OPIS Base Price for unleaded gasoline and the OPIS Seattle Average Wholesale price for unleaded gasoline fourteen days prior to the date of delivery to the City.

For #1 heating oil (Item 7), proposers must submit prices based on the OPIS Seattle Average Wholesale price for ultra low sulfur diesel fuel #2 from the week ending Sunday, June 8, 2014, published Thursday, June 12, 2014 (OPIS Base Price). The price paid for fuel by the City in accordance with the contract resulting from this RFQ will be increased or decreased from the bid price by an amount equal to the difference between the OPIS Base Price for ultra low sulfur diesel fuel #2 and the OPIS Seattle Average Wholesale price for ultra low sulfur diesel fuel #2 fourteen days prior to the date of delivery to the City.

For lubricating oils and support supplies (items 8 through 10), the price paid by the City will be increased or decreased from the bid price by an amount equal to the difference between the “jobber” posted price as of June 12, 2014, for the applicable product and the “jobber” posted price for the same product fourteen days prior to the date of delivery to the City.

Upon contract award, the supplier shall provide the City weekly documentation for the price charged for Items 1 through 7, showing how the current price for products is calculated from the appropriate OPIS price and **including OPIS postings as back up.**

For Items 8 through 10, the supplier shall notify the City prior to price changes affecting items covered by the contract and provide copies of such “jobber” postings. For Item 11, supplier will provide 15 days advance notice of any price change.

PRODUCT SPECIFICATIONS AND REQUIREMENTS

ITEM 1: Diesel Fuel—Power House

Fuel shall be ultra low sulfur #2 diesel and meet the ASTM Industry Standards for ultra low sulfur #2 diesel properly treated for local climate conditions with a sulfur content of 15 ppm or less, and equal to or less than .17 percent by weight. Fuel must be delivered to the Power House, 1700 East Point Road, by truck in accordance with a schedule provided by the power plant operator. The fuel will contain no Jet-A fuel or fuel with the same ASTM Standards as Jet-A. **The supplier shall provide monthly certified test results to the City which includes the following: ASTM D4294, Total Sulfur by Weight; ASTM D4052, API; and ASTM D93A, Deg. C / Deg. F Flash. Samples shall be taken from the Power House and the Power Module storage tanks. The City also reserves the right to pull random samples (not to exceed twice monthly) at the Power House and generation module storage tanks and the supplier’s storage tanks with shipping and sulfur analysis cost provided by the supplier.**

ITEM 2: Diesel Fuel—Power Module

Fuel shall be ultra low sulfur #2 diesel and meet the ASTM Industry Standards for ultra low sulfur #2 diesel properly treated for local climate conditions with a sulfur content of 15 ppm or less, and equal to or less than .17 percent by weight. Fuel must be delivered to the Power Module, located at the Department of Public Utilities (City Shop) at 1035 East Broadway, by truck in accordance with a schedule provided by the power plant operator. The fuel will contain no Jet-A fuel or fuel with the same ASTM Standards as Jet-A. **The supplier shall provide monthly certified test results to the City as described in Item 1, above.**

ITEM 3: Diesel Fuel—Heavy Mobile Equipment

Fuel shall be grade #2 and meet the commercial grade and quality standards for #2 mobile equipment diesel fuel properly treated for local climate conditions. Fuel must be delivered to the Department of Public Works (City Shop) at 1035 East Broadway.

ITEM 4: Diesel Fuel—Highway Ultra Low Sulfur

Fuel shall be ultra low sulfur #2 diesel and meet the quality standard for ultra low sulfur #2 diesel fuel properly treated for local climate conditions. **Fuel sulfur content shall not exceed 15 ppm.** Delivery shall be made directly to the vehicle at the supplier’s loading rack or at another specified location within thirty (30) minutes of order placement by the City. **The supplier may be required to provide monthly certified test results to the City as described in Item 1, above.**

ITEM 5: Unleaded Highway Gasoline

Unleaded fuel will be used in City automobiles and pickup trucks. Fuel shall meet all regulatory requirements for commercial unleaded gasoline. Gasoline must be delivered to the Department of Public Works (City Shop) at 1035 East Broadway.

ITEM 6: Unleaded Marine Gasoline

Unleaded fuel will be used in the City Rescue Vessel. Fuel shall meet all regulatory requirements for marine unleaded gasoline. Gasoline must be delivered dockside to the Department of Ports and Harbors by truck or pipeline (specify method on bid form).

ITEM 7: #1 Heating Oil

Heating oil shall be grade #1 and meet the commercial grade and quality standards for #1 heating oil properly treated for local climate conditions. Heating oil must be delivered to the City facilities listed on bid form attached on an automatic refill basis, except for City Housing. City Housing will be fueled per the City's request. **A back charge of \$500 will be assessed each time a heating fuel tank is allowed to run dry.**

ITEM 8: Power House Generator Engine Lubricating Oil

These oils will be used in diesel fueled, large bore generator engines. Quotes shall include specification sheets as back up. Supplier will provide sampler kits and mailers for the City's use upon request. Oil must be delivered to the Power House.

- (A) For the Caterpillar engines, oil shall be Mobil Delvac MX 15-40. Cat DEO 15W-40 may be substituted for the Delvac MX 15-40, however, **no other substitutions will be allowed.**
- (B) For the Wärtsilä engines, oil shall be Mobil ADL40. **No substitutions are allowed.**

ITEM 9: Vehicle Engine Lubricating Oils

These oils will be used in diesel and gasoline vehicle and mobile equipment engines and may require pumping into our system. Supplier will provide sampler kits and mailers for the City's use upon request. Oil must be delivered to the Department of Public Works (City Shop) at 1035 East Broadway.

- (A) Oil shall be SAE 30, Chevron Delo 400.
- (B) Oil shall be SAE 15-40, Chevron Delo 400.
- (C) Hydraulic oil, Chevron ISO 32 or equivalent.

ITEM 10: Support Supplies

Support supplies include commercial quality Extended Life Coolant (Ethylene Glycol Coolant 50/50); 5W20, 5W30, and 10W30 engine oil; automatic transmission fluid , synthetic transmission fluid – heavy, Chevron 1000 THF; 80-90 weight gear lube; kerosene; Super Red Plus; oil absorbent pads; Texaco Starplex grease; Pencool 3000 and Pencool 2000; and Racor 2020SM-OR filters and Racor 2020TM-OR filters. These supplies must be delivered to the Department of Public Works or other City of Unalaska Department or Division location as requested at the time the order is placed.

ITEM 11: Used Oil Disposal

Drums of used engine oil will be picked up at the Department of Public Works, Power House, or Department of Ports and Harbors, as specified at the time of the service request, and properly disposed of by the Supplier.

CONTRACT

A contract is expected to be executed within one week following award of the RFQ. Before award, the Supplier will be required to furnish to the City certificates of insurance and a copy of the Supplier's SPCC Plan.

CITY OF UNALASKA

FY2015 FUEL/LUBRICATING OIL/SUPPORT SUPPLIES CONTRACT

BID FORM

ITEM NO.	DESCRIPTION	TANK / CONTAINER SIZE	EST. ANNUAL USE	BID PER UNIT
1	Ultra Low Sulfur #2 Diesel Fuel Power House	25,000 gallons	2,920,000 gal.	
2	Ultra Low Sulfur #2 Diesel Fuel Power Module	5,000 gallons	130,000 gal.	
3	#2 Diesel Fuel Heavy Mobile Equipment	4,000 gallons	45,000 gal.	
4	Ultra Low Sulfur #2 Diesel Fuel Highway Diesel	44 gallons	500 gal.	
5	Unleaded Gasoline - Highway	2,000 gallons	33,000 gal.	
6	Unleaded Gasoline - Marine	150 gallons	500 gal.	

ITEM NO.	DESCRIPTION	TANK / CONTAINER SIZE	EST. ANNUAL USE	BID PER UNIT
7	#1 Heating Oil		152,700 gal.	
	City Hall	15,000 gallons	7,000	
	DPW/DPU (City Shop)	2,500 gallons	17,000	
	Airport Terminal	2,200 gallons	19,000	
	PCR Building	1,500 gallons	16,300	
	Burma Road Chapel	500 gallons	3,000	
	Library	1,000 gallons	5,200	
	Wastewater Treatment Plant	1,200 gallons	14,500	
	Pyramid Water Treatment Plant	550 gallons	2,000	
	Department of Public Safety	1,500 gallons	11,500	
	Amaknak Island Fire Garage	1,000 gallons	3,600	
	Landfill Baler Building	2,000 gallons	18,500	
	Agnes Beach PRV	300 gallons	300	
	Wash Building	1,000 gallons	5,250	
	Supply Warehouse	1,000 gallons	11,300	
	Icy Creek Reservoir Control House	500 gallons	400	
	Unalaska Pump Control House	275 gallons	600	
	Unalaska Chlorine Plant	275 gallons	250	
	Nirvana Pump Station	275 gallons	250	
	Water EOD Building	275 gallons	250	
	Carl E. Moses Office Building	550 gallons	2,000	
	City Housing - 8-Plex - 18 Ptarmigan Dr.	1,000 gallons	8,000	
	City Housing - 4-Plex - 63 Loop Road	550 gallons	5,500	
	*City Housing - Lear Road Duplexes	500 gallons	1,000	
	*NOTE: Fill only at City Request			

ITEM NO.	DESCRIPTION	TANK / CONTAINER SIZE	EST. ANNUAL USE	BID PER UNIT
8	Powerhouse Generator Engine Lubricating Oil			
(A)	Generator Eng. Oil, Mobil MX 15-40	55 gallon drum	3,800 gal	
(B)	Generator Eng. Oil, Cat DEO 15W-40	55 gallon drum	3,800 gal	
(C)	Generator Eng. Oil, Mobil ADL 40	55 gallon drum	7,000 gal.	
9	Vehicle Engine Lubricating Oil			
(A)	SAE 30, Chevron	55 gallon drum	1,200 gal.	
(B)	SAE 15-40, Chevron	55 gallon drum	700 gal.	
(C)	Hydraulic ISO 32, Chevron	55 gallon drum	500 gal.	
10	Support Supplies			
(A)	Extended Life Coolant (Ethylene Glycol 50/50)	55 gallon drum	150 gal.	
(B)	5W30 Engine Oil	55 gallon drum	165 gal.	
(C)	5W30 Engine Oil	1 quart container	48 each	
(D)	10W30 Engine Oil	1 quart container	48 each	
(E)	5W20 Engine Oil	1 quart container	48 each	
(F)	Automatic Trans. Fluid	55 gallon drum	300 gal.	
(G)	Chevron 1000 THF	55 gallon drum	150 gal.	
(H)	Chevron 1000 THF	5 gallon bucket	50 gal.	
(I)	Chevron Synthetic Transmission Fluid - Heavy	55 gallon drum	150 gal.	
(J)	80-90 wt gear lube	1/4 drum	6 each	
(K)	Kerosene	55 gallon drum	300 gal	
(L)	Kerosene	5 gallon bucket	200 gal	
(M)	Super Red Plus	5 gallon bucket	8 each	
(N)	Super Red Plus	1 gallon container	12 each	
(O)	Oil absorbent pads	100-pad bundle	30 bundles	
(P)	Starplex Grease	1/4 barrel	6 each	
(Q)	Pencool 3000	5 gallon bucket	20 each	
(R)	Pencool 2000	5 gallon bucket	30 each	
(S)	Racor 2020SM-OR	each	180 each	
(T)	Racor 2020TM-OR	each	60 each	

ITEM NO.	DESCRIPTION	TANK / CONTAINER SIZE	EST. ANNUAL USE	BID PER UNIT
11	Used Oil Disposal	55 gallon drum	100 drums	
	Used Engine Oil			

Signature of Authorized Representative _____ Name Printed _____ Date _____

Company Name, Address, Phone Number, and Fax Number _____

FUEL & SUPPORT SUPPLIES AGREEMENT

THIS AGREEMENT is entered into on this ____ day of _____, 2014, between the City of Unalaska (hereinafter referred to as “the City”) and _____ (hereinafter referred to as “Supplier”). In consideration of the mutual understandings and agreements contained herein, the City and Supplier agree as follows:

1. **Diesel Fuel – Powerhouse.** Supplier shall provide diesel fuel to the City for engines used in power generation under the following terms and conditions:

A. The diesel fuel shall be delivered by Supplier to the City at the City’s Power House, 1700 East Point Road, as needed by the City.

B. Fuel shall be ultra low sulfur #2 diesel and meet the ASTM Industry Standards for ultra low sulfur #2 diesel properly treated for local climate conditions with a sulfur content of 15 ppm or less, and equal to or less than .17 percent by weight. Fuel must be delivered to the City Power House by truck in accordance with a schedule provided by the power plant operator. The fuel shall contain no Jet-A fuel or fuel with the same ASTM Standards as Jet-A. Supplier shall provide monthly certified test results to the City that include the following: ASTM D4294, Total Sulfur by Weight; ASTM D4052, API; and ASTM D93A, Deg. C / Deg. F Flash. Samples shall be taken from the Power House storage tank. The City also reserves the right to conduct random samples (not to exceed twice monthly) at the City Power House storage tank and Supplier’s storage tanks. Shipping and sulfur analysis shall be the Supplier’s responsibility.

C. The City will pay to Supplier the sum of \$ _____ per gallon for the above-described ultra low sulfur #2 diesel fuel FOB the City Power House.

2. **Diesel Fuel –Power Module.** Supplier shall provide diesel fuel to the City for engines used in power generation under the following terms and conditions:

A. The diesel fuel shall be delivered by Supplier to the City at the City’s Power Module at the Department of Public Utilities (City Shop), 1035 East Broadway, as needed by the City.

B. Fuel shall be ultra low sulfur #2 diesel and meet the ASTM Industry Standards for ultra low sulfur #2 diesel properly treated for local climate conditions with a sulfur content of 15 ppm or less, and equal to or less than .17 percent by weight. Fuel

must be delivered to the Unalaska Power Module by truck in accordance with a schedule provided by the power plant operator. The fuel shall contain no Jet-A fuel or fuel with the same ASTM Standards as Jet-A. Supplier shall provide monthly certified test results to the City that include the following: ASTM D4294, Total Sulfur by Weight; ASTM D4052, API; and ASTM D93A, Deg. C / Deg. F Flash. Samples shall be taken from the Power Module storage tank. The City also reserves the right to conduct random samples (not to exceed twice monthly) at the Power Module storage tank and Supplier's storage tanks. Shipping and sulfur analysis shall be the Supplier's responsibility.

C. The City will pay to Supplier the sum of \$ _____ per gallon for the above-described ultra-low sulfur #2 diesel fuel FOB the Power Module.

3. **Diesel Fuel – Heavy Mobile Equipment.** Supplier shall provide diesel fuel to the City to use for heavy mobile equipment under the following terms and conditions:

A. The diesel fuel shall be delivered by Supplier to the City at the City's Department of Public Works (City Shop), 1035 East Broadway, as needed by the City.

B. The diesel fuel for heavy mobile equipment shall be Grade #2 that meets the commercial grade and quality standards for #2 equipment diesel fuel properly treated for local climate conditions.

C. The City will pay to Supplier the sum of \$ _____ per gallon for #2 heavy mobile equipment diesel fuel FOB the Department of Public Works.

4. **Diesel Fuel – Highway Ultra Low Sulfur.** Supplier shall provide ultra low sulfur #2 diesel fuel to the City to use for highway diesel under the following terms and conditions:

A. The diesel fuel shall be delivered by Supplier to the City at the Supplier's Loading Rack or other specified and agreed upon location within thirty (30) minutes of order placement by the City.

B. Fuel shall be ultra low sulfur #2 highway diesel and meet the quality standard for ultra low sulfur #2 highway diesel fuel properly treated for local climate conditions. **Fuel sulfur content shall not exceed 15 ppm.** Supplier may be required to provide sulfur content test results to the City as described in Item 1.B.

C. The City will pay to Supplier the sum of \$ _____ per gallon for ultra low sulfur #2 heavy highway diesel fuel FOB Supplier's Loading Rack or at another specified and agreed upon location.

5. **Unleaded Highway Gasoline.** Supplier shall provide unleaded highway gasoline to the City under the following terms and conditions:

A. Supplier shall provide unleaded gasoline to the City FOB the Department of Public Works (City Shop), 1035 East Broadway, as required by the City.

B. The unleaded gasoline shall be suitable for use as fuel for automobiles and pickup trucks. The automobile fuel shall meet all regulatory requirements for commercial, regular unleaded gasoline.

C. The City will pay to Supplier the sum of \$ _____ per gallon for unleaded highway gasoline FOB the Department of Public Works.

6. **Unleaded Marine Gasoline.** Supplier shall provide unleaded marine gasoline to the City under the following terms and conditions:

A. Supplier shall provide marine gasoline to the City FOB Supplier's dock as required by the City.

B. The marine gasoline shall be unleaded gasoline suitable for use as fuel for marine engines. The marine gasoline shall meet all regulatory requirements for commercial, regular unleaded gasoline.

C. The City will pay to Supplier the sum of \$ _____ per gallon for marine gasoline FOB the Supplier's dock.

7. **#1 Heating Oil.** Supplier shall provide heating oil to the City under the following terms and conditions:

A. Supplier shall provide #1 heating oil to the City FOB the City facilities specified forming Item 7.B.

B. The heating oil shall be Grade #1 that meets the commercial grade and quality standards for #1 heating oil properly treated for local climate conditions. Timely delivery of this fuel is required. There will be a back charge of \$500.00 for each instance a tank is allowed to run dry. The heating oil shall be delivered by Supplier to the following City facilities on an automatic refill basis:

- (1) City Hall
- (2) DPW/DPU (City Shop)
- (3) Airport Terminal
- (4) PCR Building
- (5) Burma Road Chapel
- (6) Library
- (7) Wastewater Treatment Plant
- (8) Pyramid Water Treatment Plant
- (9) Department of Public Safety
- (10) Amaknak Island Fire Garage
- (11) Landfill Baler Building
- (12) Agnes Beach Bridge PRV
- (13) Wash Building
- (14) Supply Warehouse
- (15) Icy Creek Reservoir Control House
- (16) Unalaska Pump Control House
- (17) Unalaska Chlorine Plant
- (18) Nirvana Pump Station
- (19) End of Water System Distribution Monitoring Building
- (20) Carl E. Moses Office Building
- (21) City Housing – 8-Plex – 18 Ptarmigan Drive
- (22) City Housing – 4-Plex – 63 Loop Road

C. The heating oil shall be delivered by Supplier to the following City facilities at the City's request:

- (23) *City Housing – Lear Road Duplexes

D. The City shall pay to Supplier \$_____ per gallon for #1 heating oil FOB the City Facilities identified in subparagraphs B and C above.

8. **Power House Generator Engine Lubricating Oil.** Supplier shall provide Power House generator engine lubricating oil to the City under the following terms and conditions:

A. Supplier shall provide generator engine lubricating oil and oil sample kits FOB the Power House, 1700 East Point Road, as required by the City.

B. The generator engine lubricating oil prices are set forth below. These prices will be paid to Supplier by the City for each gallon delivered:

- | | |
|----------------------------------|---------------------|
| (1) <u>Mobil Delvac MX 15-40</u> | \$ _____ per gallon |
| (2) <u>Cat DEO 15W-40</u> | \$ _____ per gallon |
| (3) <u>Mobil ADL40</u> | \$ _____ per gallon |

C. The lubricating oil shall be delivered in undamaged 55-gallon or larger containers. Supplier will be responsible for pick up and disposal of empty drums. The City may reject oil delivered in damaged drums or drums deemed to exhibit an excessively rusted or weathered condition.

9. **Vehicle Engine Lubricating Oils.** Supplier shall provide vehicle engine lubricating oils to the City under the following terms and conditions:

A. Supplier shall provide vehicle engine lubricating oils and oil sample kits FOB the Department of Public Works (City Shop), 1035 East Broadway, as required by the City.

B. The vehicle engine lubricating oil prices are set forth below. These prices will be paid to Supplier by the City for each gallon delivered:

- | | |
|-----------------------------|---------------------|
| (1) <u>SAE 30</u> | \$ _____ per gallon |
| (2) <u>SAE 15-40</u> | \$ _____ per gallon |
| (3) <u>Hydraulic ISO 32</u> | \$ _____ per gallon |

C. The lubricating oils shall be delivered in undamaged 55-gallon or larger containers. Supplier will be responsible for pick up and disposal of empty drums. The City may reject oil delivered in damaged drums or drums deemed to exhibit an excessively rusted or weathered condition.

10. **Support Supplies.** Supplier shall provide support supplies to the City under the following terms and conditions:

A. Supplier shall provide support supplies FOB the Department of Public Works (City Shop), 1035 East Broadway, as required by the City.

B. Support supplies pricing is set forth below. These prices will be paid to Supplier by the City for each increment delivered:

(1) Extended Life Coolant (Drum)	\$ _____ per gallon
(2) 5W30 Engine Oil (Drum)	\$ _____ per gallon
(3) 5W30 Engine Oil (Quart)	\$ _____ per quart
(4) 10W30 Engine Oil (Quart)	\$ _____ per quart
(5) 5W20 Engine Oil (Quart)	\$ _____ per quart
(6) Automatic Trans. Fluid (Drum)	\$ _____ per gallon
(7) Chevron 1000 THF (Drum)	\$ _____ per gallon
(8) Chevron 1000 THF (Pail)	\$ _____ per gallon
(9) Chevron Synthetic Transmission Fluid (Drum)	\$ _____ per gallon
(10) 80-90 wt gear lube (1/4 Drum)	\$ _____ per pound
(11) Kerosene (Drum)	\$ _____ per gallon
(12) Kerosene (Pail)	\$ _____ per gallon
(13) Super Red Plus (Pail)	\$ _____ per gallon
(14) Super Red Plus (Drum)	\$ _____ per gallon
(15) Oil Absorbent Pads (100/bundle)	\$ _____ per bundle
(16) Starplex Grease (1/4 Drum)	\$ _____ per pound
(17) Pencool 3000 (Pail)	\$ _____ per gallon
(18) Pencool 2000 (Pail)	\$ _____ per gallon
(19) Racor 2020SM-OR Filters	\$ _____ per each
(20) Racor 2020TM-OR Filters	\$ _____ per each

C. The support supplies shall be delivered in undamaged containers. The City may reject support supplies delivered in damaged containers or containers deemed to exhibit an excessively rusted or weathered condition.

11. **Used Oil Disposal.** Supplier shall provide Used Oil Disposal services under the following conditions:

A. Supplier shall pick up and properly dispose of Used Oil generated by the City of Unalaska. Supplier shall provide empty drums upon request.

B. The City shall pay to Supplier \$_____ per 55 gallon drum for Used Oil Disposal services utilized by the Department of Public Works and Utilities (City Shop), Power House, and Department of Ports and Harbors.

12. **Price.** The prices to be paid by the City to Supplier pursuant to this agreement are subject to change as follows:

A. **Ultra Low Sulfur Diesel Fuel #2 (Items 1 – 4).** The price to be paid to Supplier shall be increased or decreased by an amount equal to the difference between the OPIS Seattle Average Wholesale Posting for Ultra Low Sulfur Diesel published Thursday, June 12, 2014, and the OPIS Seattle Average Wholesale Posting for Ultra Low Sulfur Diesel fourteen days prior to the date of delivery to the City.

B. **Unleaded Gasoline (Items 5 & 6).** The price to be paid to Supplier shall be increased or decreased by an amount equal to the difference between the OPIS Seattle Average Wholesale Posting for unleaded gasoline as of Thursday, June 12, 2014, and the OPIS Seattle Average Wholesale Posting for unleaded gasoline fourteen days prior to the date of delivery to the City.

C. **#1 Heating Oil (Item 7).** The price to be paid to Supplier shall be increased or decreased by an amount equal to the difference between the OPIS Seattle Average Wholesale Posting for Ultra Low Sulfur Diesel published Thursday, June 12, 2014, and the OPIS Seattle Average Wholesale Posting for Ultra Low Sulfur Diesel fourteen days prior to the date of delivery to the City.

D. **Lubricating Oils (Items 8 & 9).** The price to be paid to Supplier shall be increased or decreased by an amount equal to the difference between the manufacturer “jobber” posted price as of June 12, 2014, and the manufacturer “jobber” posted price for the same product fourteen days prior to the date of delivery to the City.

E. **Support Supplies (Item 10).** The price to be paid to Supplier for support supplies shall be increased or decreased by an amount equal to the difference between the manufacturer “jobber” posted price as of June 12, 2014 for the applicable support supply product and the manufacturer “jobber” posted price for the same product fourteen days prior to the date of delivery to the City.

F. **Used Oil Disposal (Item 11).** Supplier shall notify the City, in writing, fifteen days prior to any change in price.

G. **Documentation.** Supplier shall provide the City, during the term of this contract, weekly documentation for the fuel price changes required by this agreement, showing how the current price for products is calculated from the appropriate OPIS price and including OPIS postings as back-up. Supplier shall notify the City prior to changing prices on lubricating oil and support supplies and shall provide copies of “jobber” postings in support of those price changes.

13. **Price All Inclusive.** All prices to be paid to Supplier pursuant to this agreement include all product costs, loading, transportation, cargo insurance, bonding, offloading expense, and federal LUST and Superfund taxes, if applicable.

14. **Payment.** For Powerhouse and Power Module fuel (Items 1 & 2), Supplier shall invoice the City within twenty-four (24) hours of delivery, except for weekend deliveries, which must be invoiced at least by the Monday following the date of delivery. Invoicing for Heavy Mobile Equipment Diesel, Highway Ultra Low Sulfur Diesel, Unleaded Highway Gasoline, Unleaded Marine Gasoline, #1 Heating Fuel, Generator Engine Lubricating Oil, Vehicle Engine Lubricating Oil, Support Supplies, and Used Oil Disposal (Items 3 – 11) shall be provided weekly. All invoices shall be due thirty (30) days from the date of receipt.

15. **Reserved Right to Reject.** The City reserves the right to reject all or part of any delivery for failure to comply fully with the specifications of this Agreement. The City further reserves the right to terminate any portion of this Agreement, or the Agreement in its entirety, due to the failure of the Supplier to comply fully with the terms of this Agreement.

16. **Measurement of Quantities.** Quantities of fuel delivered to the Power House shall be measured by Supplier’s meter. In the event of any discrepancy between the amounts so measured and the amounts indicated as having been delivered by the City’s meter, the City and Supplier shall in good faith attempt to determine the reason for the discrepancy and adjust the sums to be paid to Supplier accordingly.

17. **Testing.** Supplier shall provide monthly certified test results to the City that include the following: ASTM D4294, Total Sulfur by Weight; ASTM D4052, API; and ASTM D93A, Deg. C / Deg. F Flash. Samples will be taken from both the Power House and the Power Module storage tanks. The City also reserves the right to conduct random samples (not to exceed twice monthly) at the Power House and Power Module storage tanks and Supplier's storage tanks. Shipping and sulfur analysis shall be Supplier's responsibility. Final acceptance of fuel delivered to the Power House and Power Module will not occur until the City has received test reports confirming the fuel meets the specifications required by this Agreement.

18. **Supply Guarantee.** If Supplier is unable to supply the quantities or type of product required as set forth in this Agreement, all costs incurred by the City in procuring the required amount of product(s) from an alternate source, which exceeds the costs set forth in this Agreement, shall be borne by Supplier.

Any damage to equipment or vehicles due to supplying fuel that does not meet the City's specifications as stated in this Agreement shall be remedied by Supplier to the complete satisfaction of the City.

19. **Compliance with Regulations.** Supplier shall comply with 40 CFR 112 and all other Federal, State, and Local regulations regarding the transportation, transfer, and discharge of all products specified in this Agreement.

20. **Notification of Spill.** Supplier shall notify the Director of Public Works at 581-1260 immediately should any product specified under this Agreement be discharged into the air, water, or ground in the course of delivery to the City.

21. **Notification of Access Issues.** Supplier shall notify the Director of Public Works at 581-1260 should Supplier have any problem accessing the point of delivery to the City.

22. **Modifications.** Any amendments to this Agreement shall be in writing and agreed to by both parties.

23. **Indemnification.** To the fullest extent allowed by law, Supplier shall indemnify, save harmless, and defend the City, its elected officials, agents, employees, and volunteers from liability of any nature or kind, including, but not limited to, costs and

expenses for or on account of any and all causes of action or claims of any character whatsoever arising out of, or alleged to arise from, Supplier's performance of this Agreement, including, but not limited to, all claims relating in any way to the release into or upon the air, water, or ground of any product described in this Agreement from any vessel, tank, vehicle, or pipeline owned or leased by Supplier or any agent, employee, or contractor retained by Supplier.

24. **Binding Effect.** This Agreement shall be binding upon the parties and shall not be assigned without the written consent of both parties.

25. **Taxes.** The parties agree that any sales under the Agreement are not subject to local taxes.

26. **Term.** This Agreement commences July 1, 2014, and expires June 30, 2015.

CITY OF UNALASKA

SUPPLIER

By: _____
Chris Hladick
City Manager

By: _____
Name: _____
Title: _____

SUBSCRIBED and SWORN TO
before me this ____ day of _____ 2014.

SUBSCRIBED and SWORN TO
before me this ____ day of _____ 2014.

Notary Public in and for Alaska
My commission expires: _____

Notary Public in and for Alaska
My commission expires: _____