From: shahas@Berksiu.org,

To: acguydish@exeter.k12.pa.us, betsit@bhasd.org, bgretton@tvsd.org, bfeick@schuylkillvalley.org, cpitts@boyertownasd.org, SchChr@Wilsonsd.org, cranei@bhasd.org, dmiller@kasd.org, debdom@Berksiu.org, Diane.Richards@gmsd.org, dondel@Berksiu.org, jilhac@Berksiu.org, horth@fleetwoodasd.k12.pa.us, hkeller@rmctc.org, John.Reedy@berkscareer.com, Kathlene.Haines@dboone.org, lmarchese@ovsdpa.org, mboyer@wyoarea.org, MicZim@hasdhawks.org, r_robertson@conradweiser.org, mathiass@mail.muhlsdk12.org, tkowalonek@tulpehocken.org, tdetwiler@antietamsd.org, GehrisW@readingsd.org, cbattin@boyertownasd.org, Maidentwp@aol.com, dondel@Berksiu.org, unionberks@gmail.com, jwehr@maxatawny.net, jbobeck@muhlenbergtwp.com, chiarelj@readingsd.org, tulpytwp@comcast.net, tammi.reinhart@readingpa.org, bally@comcast.net, carfle@Berksiu.org, carher@Berksiu.org, cblankenbiller@schuylkillvalley.org, cdresher@boyertownasd.org, chrspo@hasdhawks.org, ericle@Berksiu.org, e_lutz@conradweiser.org, eforsag@exeter.k12.pa.us, emeyer@ovsdpa.org, gkauker@berkscareer.com, hfrey@tulpehocken.org, simjef@wilsonsd.org, kbonkoski@antietamsd.org, pattersonk@mail.muhlsdk12.org, kstrickler@fleetwoodasd.k12.pa.us, kbrumbach@rmctc.org, micwet@bhasd.org, zipay@dboone.org, mcafoncelli@wyoarea.org, rich@sosgroupinc.com, rlprezuhy@exeter.k12.pa.us, rodgoo@Berksiu.org, shaddock@tvsd.org, shahas@Berksiu.org, tmerkel@kasd.org, tilpan@Berksiu.org, timothy.ziegler@gmsd.org, tcapparell@kasd.org, tshank@ovsdpa.org,

Subject: Fuel Bid (7/1/21 – 6/30/22)

Date: Thu, May 7, 2020 11:59 am

Attachments: Fuel Bid Tally and Vendor Requirments.pdf (447K)

A Fuel Bid Open and Review Meeting was held on Wednesday, April 29, 2020 at the Berks County Intermediate Unit offices and via Zoom. At that time, the BCJPB Fuel Committee decided to not award contracts for the July 1, 2021 to June 30, 2022 bid year because of the new exceptions that the vendors are requiring.

I have attached the results from the bid opening along with the exceptions that all three vendors are requiring districts and townships agree to PRIOR to awarding a fixed price for the 2021-2022 school year. Please have your board and/or solicitor approve the new requirements during your May Board Meeting.

If everyone could review and respond to me by Friday, June 12, 2020 letting me know their board approved, any concerns, or wish to change their quantities based on this new requirement it would be appreciated.

Thank you,

Eric Clemmer
Assistant Director, Operations
1111 Common Blvd.
Reading, PA 19605
610-987-8596

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BERKS COUNTY JOINT PURCHASING BOARD

7/1/21 - 6/30/22 FUEL BID TALLY SHEET - Open and Review April 29, 2020

VENDOR	PAPCO, Inc.	Petroleum Traders Corportation	Talley Petroleum Enterprises, Inc.
BRAND - GASOLINE	FIRM PRICING PER GALLON 12 MONTHS	FIRM PRICING PER GALLON 12 MONTHS	FIRM PRICING PER GALLON 12 MONTHS
TRANSPORT Unleaded Octane 87	1.0157	1.1029	0.9416
Tank Wagon Unleaded Octane 87	1.2576	No Bid	1.1562
Tank Wagon Unleaded Octane 89	1.3708	No Bid	1.2258
Tank Wagon Unleaded Octane 92	1.5549	No Bid	1.4848
BRAND -HEATING OIL			
TRANSPORT #2 Heating Oil	1.3096	1.4028	1.2589
Tank Wagon #2 Heating Oil	1.6444	No Bid	1.7369
Aditive Price #2 Heating Oil	0.0345	0.0250	0.0350
Mixing Ratio _____	1:3000	1:7500	1:3000
BRAND - DIESEL			
TRANSPORT B-2 Bio-diesel	1.3054	1.3961	1.2621
Tank Wagon B-2 Bio-diesel	1.5103	No Bid	1.4334
Additive Price B-2 Bio-diesel	0.0345	0.0250	0.0350
Mixing Ratio _____	1:3000	1:7500	1:3000
NRLM			
Tank Wagon NRLM	2.7577	No Bid	3.7376

NO BIDS AWARDED

BERKS COUNTY JOINT PURCHASING BOARD

7/1/21 - 6/30/22 FUEL BID TALLY SHEET - Open and Review April 29, 2020

VENDOR	PAPCO, Inc.	Petroleum Traders Corportation	Talley Petroleum Enterprises, Inc.
BRAND - GASOLINE	**NYMEX + PRICING 12 MONTHS**	**NYMEX + PRICING 12 MONTHS**	**NYMEX + PRICING 12 MONTHS**
TRANSPORT Differential Price	0.0508	0.1391	0.0158
Tank Wagon Differential Price	0.2927	No Bid	0.2262
Added cost for 89 Octane over 87 Octane	0.1132	No Bid	0.0680
Added cost for 92 Octane over 87 Octane	0.2973	No Bid	0.3279
BRAND -HEATING OIL			
TRANSPORT #2 Heating Oil - Differential Price	0.1020	0.1775	0.0677
Tank Wagon #2 Heating Oil - Differential Price	0.4368	No Bid	0.5474
Aditive Price #2 Heating Oil	0.0345	0.0250	0.0350
Mixing Ratio _____	1:3000	1:7500	1:3000
BRAND - DIESEL			
TRANSPORT B-2 Differential Price	0.0972	0.1757	0.0713
Tank Wagon B-2 Differential Price	0.3021	No Bid	0.2349
Additive Price B-2 Bio-diesel	0.0345	0.0250	0.0350
Mixing Ratio _____			
NRLM			
Tank Wagon NRLM	1.5496	No Bid	1.5504

NO BIDS AWARDED

BERKS COUNTY JOINT PURCHASING BOARD

7/1/21 - 6/30/22 FUEL BID TALLY SHEET - Open and Review April 29, 2020

PATRICIPATING VENDOR LIST

PAPCO, Inc.
Gary Kligos
2 New Road, Suite 311
Aston, PA 19014
Phone: 610-361-8000
Fax: 610-361-8924

Petroleum Traders Corportation
Linda Stephens
7120 Pointe Inverness Way
Fort Wayne, IN 46804
Phone: 888-637-7661
Fax: 260-203-3820

Talley Petroleum Enterprises, Inc.
Adam Kovacs
10046 Allentown Boulevard
Grantville, PA 17028-8712
Phone: 800-942-9711
Fax: 717-469-7727

TO BE SIGNED UPON AWARD BY ALL PARTICIPATING ENTITIES

TALLEY PETROLEUM ENTERPRISES, INC.
FIXED PRICE FUEL SERVICES CONTRACT

THIS FIXED PRICE FUEL SERVICES CONTRACT is entered into this 29th day of April 2020, by and between TALLEY PETROLEUM ENTERPRISES, INC., a Pennsylvania business corporation ("Talley") and BCIU ENTITY XYZ ("Buyer").

1. **Purchase Amount and Total Price**. Buyer agrees to purchase ____ gallons of (FUEL TYPE) - Tank Transport (TANK WAGON), at the rate of $_____for a total purchase price of $_____ during the Contract term of July 1, 2021 to June 30,2022. Any amount of fuel purchased that exceeds the total gallons set forth herein shall be charged at the rate as established by a separate negotiated agreement between Talley and Buyer.

2. **Buyer Commitment**. Buyer agrees that it is required to make the total purchase of fuel as Set forth in Paragraph 1 herein, at the rate set therein, within the period of July 1, 2021 and June 31, 2022. Buyer shall not be entitled to any discount on the fuel price for any reason, including, but not limited to, decreases in the general fuel prices then available on the open market. In the event the Buyer does not make such purchases, it shall still be required to make payment of the total contract price set forth in Paragraph 1 herein, and the Buyer shall not be entitled to any set-off or discount based upon Talley's ability, if any, to re-sell the subject fuel contracted for hereunder to a third party. If Talley were to sell any of the unused gallons at a rate above the contracted price, Talley will split all profits with the BCIU ENTITY XYZ.

3. **Collection Costs**. All accounts over 15 days past due shall be subject to the imposition of interest at a rate of 1.5% monthly. In the event client fails to make payment when due, and Talley Commences collection proceedings, the Buyer shall be further responsible for all costs of collections, Including, but not limited to, all attorney's fees and collection agency commissions.

4. **Choice of Law and Venue**. Any Dispute arising under this agreement, including its breach or enforcement, shall be governed under the laws of the Commonwealth of Pennsylvania. In the event of legal action, the parties' consent to the personal and exclusive jurisdiction of and venue in the Court of Common Pleas of Dauphin County, Pennsylvania, or the United States District Court for the Middle District of Pennsylvania.

TALLEY PETROLEUM ENTERPRISES, INC.

By:_____
J. Allen Talley, President

(BUYER): BCIU Entity XYZ
xxxx Main St.
Northampton, PA

By:_____

PETROLEUM TRADERS CORPORATION
7120 Pointe Inverness Way
Fort Wayne, IN 46804-7928

Exceptions/Clauses to the Bid for Gasoline and Diesel Fuel (Nymex + Pricing):

Petroleum Traders Corporation may be willing to discuss the removal of conditional clause statements in our bid submission.

The following are the additional terms and conditions to be applied to the firm fixed price proposal submitted by Petroleum Traders Corporation to the Berks County Joint Purchasing for the current fuel bid and are to be considered a part of our bid and resulting contract.

1) Payment terms will be Net 30 days with no discount.

2) Any notice of award or intent to award received must include a firm commitment to a specific amount of gallons for each product to be purchased at the firm fixed price awarded during the contract. Any additional gallons purchased over or in addition to the contracted volume will be priced at a negotiated rate prior to delivery. Any unused contract gallons will be billed to you if there is a loss in the underlying futures contracts. As an example, if Petroleum Traders Corporation purchased futures contracts at $2.5000 per gallon for the specified product and month and a year later the price of these futures is $2.4000 per gallon, then if you did not use all of your contract gallons, you would be billed $.1000 per gallon times the number of unused gallons.

3) Contract cannot be terminated for convenience.

4) Any extension of this contract beyond the original contract period for the firm fixed pricing format will be by mutual agreement only.

5) This response to your bid invitation is given with the understanding that our exceptions/clauses contained herein shall prevail over any bid invitation conflicting requirements.

Respectfully,

Gayle Newton

Gayle Newton,
Contract Sales Manager

PAPCO
2 New Road, Suite 311, Aston, PA 19014
(610) 361-8000 FAX (610) 361-8924

CRITICAL NOTE

4/29/20

RE: BERKS COUNTY JOINT PURCHASING BOARD BID for DIESEL FUEL, NRLM, GASOLINE, & HEATING OIL; **FIRM PRICING** Bid for **2021-2022**

The Fixed Price quoted in the PAPCO, Inc. bid, is for GUARANTEED annual volume that all participants on this solicitation have committed to purchase, equaling 100% of the estimated volume indicated in the Bid Document. Alternatively, the guaranteed volume may also be changed, and MUST be indicated upon the awarding notification (phone call/email).

If any participating Buyer fails to take delivery of all or part of the Contract Quantity of Fuel during the applicable Fiscal Year of this Agreement, less the 0% tolerance, and the failure is not excused under the terms of the Agreement or by Seller's breach, then Buyer may choose either of the following options:

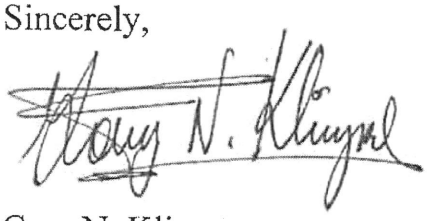
(i) Re-Hedging the Unused Volume. Buyer may elect to take delivery of the remaining annual Contract Quantity of Fuel past the end date of that Fiscal Year (i.e. leftover volume from June will be taken first in the following month (in July), at the Fixed Price of the uncompleted contract (June), plus the additional cost of re-hedging, which will be the difference between the following month's prompt NYMEX futures price versus the price of the expiring month's NYMEX futures price at the last trading day of the month, plus a $0.0100/gallon transaction fee. This pricing method shall continue monthly until the Contract Quantity volume is fully exhausted; or

(ii) Seller Liquidation of the Unused Volume. Buyer may elect **not** to take delivery of the remaining Contract Quantity of Fuel for a given year and instead may direct Seller to liquidate said quantities. The Seller will liquidate the underlying hedges, and any loss (Selling Price – Lock-in Price of underlying NYMEX Futures contract) will be invoiced to the buyer, with the addition of a $0.0150 per gallon Service fee. If there is no loss on the underlying Hedge sale, only the Service fee will apply.

(iii) Transfer remaining gallons to another member entity, Buyer may elect to transfer all or part of the remaining gallons to another member entity upon written agreement/consent from both parties, and upon mutual agreement with Seller.

We are looking forward to working with all participants on this Bid to best accommodate their Diesel Fuel needs. If however, for any reason, the above terms of guaranteed annual volume are not accepted, we will respectfully request our Bid for Fixed Price to be converted to a No-Bid.

Sincerely,



Gary N. Kligos
PAPCO, Inc., a World-kinect Company