

TRANSPORT – TANKWAGON FUELS ANNUAL

NOTICE OF AWARDS

Buyer: Scott Nelson (006)
Phone: 605-773-4275
Fax: 605-773-4840
Email: Scott.Nelson@state.sd.us

Date: May 10, 2023

- 1. Contract Term:** This notice establishes contract(s) resulting from Solicitation # 8629 for a period of (1) one year, from June 1, 2023 through May 31, 2024, inclusive. The Solicitation and the vendor's response, along with the South Dakota Vendor's Manual are made part of the vendor's contract by this reference.
- 2. Extension:** The State shall have the option, at the State's sole discretion, to extend the contract(s) resulting from this Solicitation for an additional two (2) months past the original contract expiration date. The State may renew this contract for up to four (4) additional one (1) year periods. Notice shall be given by the State to the vendor at least 60 days prior to the termination of the contract, and the vendor shall agree to such extension within 30 days thereafter, before such extension period shall become effective.
- 3. Pricing:** All margin prices quoted in the referenced proposal are firm for the term of this contract. Price decreases are acceptable on invoice(s) presented for payment. If the open market price of a specific contract item is five (5) or more cents per gallon under the vendor's price, the State reserves the right to purchase the lower priced product after first giving the contract vendor an opportunity to meet the lower price.
- 4. Delivery:** All deliveries are F.O.B. Destination and are to be made within two (2) business days from time of order.
- 5. Certification Relating to Prohibited Entity:** Contractor certifies and agrees that the following information is correct:

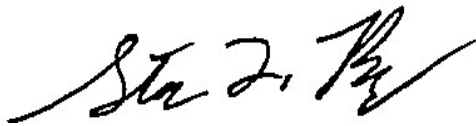
In preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, Contractor is not an entity, regardless of its principal place of business, that is ultimately owned or controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by South Dakota Executive Order 2023-02.

Contractor further agrees that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. Contractor further agrees to provide immediate written notice to the State if during the term of this Agreement it no longer complies with this certification and agrees such noncompliance may be grounds for termination of this Agreement.

6. **Restriction of Boycott of Israel:** For contractors, vendors, suppliers, or subcontractors with five (5) or more employees who enter into a contract with the State of South Dakota that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by submitting a response to this solicitation or agreeing to contract with the State, the bidder certifies and agrees that the following information is correct:

The bidder in preparing its response in considering bids submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to the subject matter of the bid, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel or its territories, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid submitted by the bidder on this project and terminate any contract awarded based on the bid. The successful bidder further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination.

7. All delivery tickets, invoices and statements must be submitted in duplicate to the State Agency ordering the merchandise. DO NOT SUBMIT STATEMENTS OR INVOICES TO THE OFFICE OF PROCUREMENT MANAGEMENT AS IT ONLY DELAYS PAYMENT.



Steven L. Berg, Director
Office of Procurement Management

CONTRACTORS

To find which vendor was awarded your specific location or to get the daily fuel price go to the following website and click on either the tankwagon or transport tab at the bottom of the webpage:

https://boa.sd.gov/central-services/procurement-management/Contract_Fuel_Price.htm

AGTEGRA COOPERATIVE

908 Lamont Str. South
Aberdeen, SD 57401
Contact: Troy Weig
Phone: 605-725-8580
troy.weig@agtegra.com

Vendor # 12029118
Contract # 17748

COLE'S PETROLEUM

1200 S. Egan
Madison, SD 57042
Contact: Justin Cole
Phone: 605-256-3082
Cole1002@iw.net

Vendor # 12037479
Contract # 17750

HARM'S OIL

337 22nd Ave South
Brookings, SD 57006
Contact: Tawnya Hanson
Phone: 605-696-5014
tawnya.hanson@harmsoil.com

Vendor # 12035024-04
Contract # 17752

MG Oil

PO Box 1006
Rapid City, SD 57709
Contact: Todd Moe
Phone: 605-341-4550

toddm@mgoil.com

Vendor # 12035221
Contract # 17754

CHS FARMER'S ALLIANCE

PO Box 1286
Mitchell, SD 57301
Contact: Karla O'Day
Phone: 605-280-6959
karla.oday@chsinc.com

Vendor # 12020868-59
Contract # 17749

GENE'S OIL COMPANY

PO Box 120
Leola, SD 57456
Contact: Mark Rau
Phone: 605-439-3116
genesoil@hotmail.com

Vendor #: 12600170
Contract # 17751

KADOKA OIL

PO Box 500
Kadoka, SD 57543
Contact: Tammy Carlson
Phone: 605-837-1840
Discountfuel2@hotmail.com

Vendor #: 12046154
Contract # 17753

MIDWAY-VOLLAN

PO Box 88
Baltic, SD 57003
Contact: Todd Ibis
Phone: 605-529-5458

toddibis@vollanoil.com

Vendor # 12209579
Contract # 17755

MOYLE PETROLEUM

2504 West Main
Rapid City, SD 57702
Contact: John Sullivan
Phone: 605-343-1966 ext:128
jsullivan@commoncentsstores.com

Vendor # 12030428-04
Contract # 17756

SIoux VALLEY COOP

220 10th Str NW
Watertown, SD 57201
Contact: Jared Landmark
Phone: 605-886-5829
jlandmark@siouxvalleycoop.com

Vendor # 12030270
Contract # 17758

STERN OIL CO INC.

PO Box 218
Freeman, SD 57029
Contact: Kelli Broders
Phone: 605-925-7999
Kelli.broders@stern.co

Vendor # 12036633
Contract # 17760

OLSON FUELS

~~12600 US Highway 85
Buffalo, SD 57720
Contact: Devin McGrath
Phone: 605-391-4947
devin@olsonfuels.com~~

Vendor # 12636010-A0
Contract # 17757

SOUTHWEST GRAIN

1722 Highway 22 South
Dickinson, ND 58601
Contact: Barb Pinnow
Phone: 605-374-3318
Barb.pinnow@chsinc.com

Vendor # 12020868-09
Contract # 17759

PRICE INFORMATION: Prices for gasoline, diesel fuel, and E30 are to be computed using the price adjustment method set forth herein. The total price of the product delivered to destination shall consist of two components. These components are:

- A) Base Price (DTN and all applicable taxes, including fuel tank clean up fee)
- B) Bid Price (Vendor Margin which includes all costs other than those in Base Price above)

BASE PRICE: Base price shall be the unbranded average price for each grade of fuel as reported by an industry daily publication entitled "Data Transmission Network Corporation" (DTN), plus any applicable taxes or EPA charges. The "unbranded" average price, for each terminal in South Dakota, as published in the FastRacks report for each fuel, will be the base price. The State of South Dakota reserves the right to use Contract Averages for any sites where data is insufficient or out of fuel situations occur.

Bidders shall use the abbreviations shown below to indicate, in the designated column on the bid pages, which terminal will be used as the source of fuel for each location for which a bid is provided. This will be the determining factor from which the DTN price will be based. DTN is published each day by www.dtenergy.net. Please indicate only one terminal per delivery location.

AB: Aberdeen	MI: Mitchell	RC: Rapid City
SF: Sioux Falls	WA: Watertown	YK: Yankton

Please note that the Wolsey (WS) terminal is not available. If you indicate the WS terminal on your bid documents, your bids for those locations may be rejected.

BID PRICE: Bid price shall be the margin the bidder quotes above the base price.

Bidders shall indicate only the bid price (margin) on the pricing schedules provided at the end of this packet. Do not indicate the total price per gallon.

All bid prices are to be expressed as a decimal. For example: If the bid price is five and three quarters cents per gallon, express as 0.0575. If the bid price is three quarters of a cent per gallon, express as 0.0075. Negative Margins must be bid as a minus number in parentheses. Example (-.0001)

PRICE ADJUSTMENT: Base price shall be adjusted for all fuels daily. The adjustments for the day will be made immediately upon receipt of "DTN" and available on the Web for the State agencies using the contract resulting from this solicitation.

If the "DTN" is not published for a length of time, or State of South Dakota offices are closed, the last published price shall apply until the next update is available. The using agencies shall access the Web for the daily price changes.

Should "DTN" cease publication, change method of publishing prices, or change product designations as currently listed, an agreement may be made by the parties on a new price determination method during the contract period or the contract shall be terminated.

The price will be adjusted in dollars, up or down in an amount equal to the "unbranded" average price change for the product as published by the Data Transmission Network Corporation for each day.

Vendors will be authorized to invoice State accounts the adjusted price for orders received. Orders made before 1:00PM CST are to be billed at that day's pricing. Orders made after 1:00PM CST are to be billed at the next day's pricing.

If a product ordered is not available, the agency is authorized to buy from a non-contract vendor or wait to be notified by the contractor when the fuel is available to be re-ordered.

If the open market price in the local area covered by a specific contract is \$.05 or more cents per gallon under the vendor's price, a state agency may purchase the less expensive product after first giving the vendor an opportunity to meet the lower price.

SD DOT will be implementing a new fuel monitoring/ordering system. All contract vendors must have a valid email address to facilitate these orders.

NOTE: State tax adjustment will be added to the base price where required.

The State of South Dakota is exempt from Federal Tax for all fuel purchased. Federal tax exemption number is 466000364. Exemption Certificates will be furnished when requested.

DELIVERY: All delivery and handling charges are to be included in the bid price margin and no other shipping or transportation charges will be paid by the State. All deliveries are F.O.B. Destination and are to be made within two (2) business days from time of order.

Tax which will be included in base price will be as listed below.

			(EPA) Fuel Tank Clean Up		
Dyed #1 or #2	State Tax	0.00	0.02 =		0.02
Undyed #1 or #2	State Tax	0.28	0.02 =		0.30
Gasoline Unleaded	State Tax	0.28	0.02 =		0.30
E-10	State Tax	0.266	0.02 =		0.286
E-30	State Tax	0.238	0.02 =		0.258

UNIT OF MEASURE: All fuel and gasoline shall be measured in U.S. gallons. For tankwagon deliveries, the contractor shall provide metered delivery tickets, if possible, to certify the actual volume of bulk fuel delivered.

VENDOR NOTES:

Awarding of transport loads for diesel, gasoline, and E30 may be made as ALL OR NONE. The determination to award as all or none will be made during the evaluation process.

Awarding of tankwagon locations where E30 is requested may be made as ALL OR NONE. The determination to award as all or none will be made during the evaluation process.

Transport loads are defined as equal to or greater than 7500 gallons. Tankwagon loads are smaller deliveries (typically 500 to 1000 gallons). Tankwagon deliveries have a minimum order of 300 gallons.

For SD DOT locations only: Fuel delivery drivers are to remove any fuel they overfill into the fill pipe surround containment areas.

The State of South Dakota will accept diesel fuel as per the specifications outlined in ASTM D975. This specification allows up to 5% bio (B5) (Reference 7.3.1.2).

The State of South Dakota will be using unleaded gasoline or E-10. The bid line for unleaded and E-10 will be listed as one item according to gallons.

If the cost of E-10 is equal to, or less than the cost of unleaded gasoline, the vendor must deliver E-10 to the ordering location. If the cost of unleaded gasoline is less than the cost of E-10, the vendor must deliver unleaded gasoline to the ordering location. The product that is required to be delivered/purchased will be the one listed on the Procurement Management Home Page under Contracts Index, Transport/Tankwagon (EXCEL) on the day the fuel is ordered.

The State of South Dakota will accept a minimum of 85 octane in the counties of Butte, Custer, Fall River, Harding, Lawrence, Meade, Oglala Lakota, Pennington, and Perkins. and 87 octane in all other counties. All fuel must meet the octane requirements as outlined in SD 37-2-44 and SD 37-2-45.

Delivery tickets or bill of lading shall indicate the octane rating of the fuel delivered. This document shall identify the quantity, the name of the product, the particular grade of the product, the applicable automotive fuel rating, and oxygenate type and content (if applicable), the name and address of the seller and buyer, and the date and time of the sale

The awarded vendor for each location shall supply labels for the pumps with the minimum octane rating. Octane rating stickers must comply with EPA regulations.



SPECIAL INSTRUCTIONS FOR E30:

Ethanol-30 (E-30) fuel supplied under this contract shall meet the requirements of the American Society for Testing and Materials Standards (ASTM) 7794 and Environmental Protection Agency Standards, including any updates to these specifications throughout the contract term. The minimum octane rating shall be 87.

Delivery loads may be randomly tested to ensure that the E30 fuel meets ethanol requirements. If the tested fuel does not meet the specified criteria the State may assess liquidated damages and require the contractor to remedy the situation immediately.

The State of South Dakota shall compute the E-30 base price as follows:

The base price of E30 shall be the base price of E10 at each location less 10%. Example: E10 base price is \$2.00; the E30 base price is \$1.80.

BIODIESEL B5 INSTRUCTIONS:

The South Dakota Department of Transportation has been mandated to order B5 diesel fuel at the following DOT transport locations:

- Aberdeen
- Brookings
- Junction City
- Mitchell
- Pierre
- Rapid City
- Sioux Falls

The vendor shall provide B5 biodiesel year-round to the transport SD DOT sites listed above. If B5 is not available when ordered, regular diesel may be supplied but the reason shall be noted on the invoice (Ex. B5 not available at terminal due to temperature).

The invoice shall include the contract cost of the fuel and an additional line shall indicate the cost of the soy product.