

**Purpose:** The purpose of this Invitation to Bid (ITB) is to solicit sealed bids for the establishment of a statewide contract for the purchase and delivery of Bulk Fuel for the State of Louisiana and Authorized Users.

### 1) **Definitions**

- A) Authorized User – Shall mean any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of the State of Louisiana; any Political Subdivision or Quasi State Agency of the State of Louisiana; External Procurement Units; and Agencies of the United States Government authorized to participate in any contract resulting from this ITB.
- B) LDAF – Louisiana Department of Agriculture and Forestry
- C) OPIS - Oil Price Information Service
- D) OSP – Louisiana Office of State Procurement
- E) Transport Truck - Shall mean a delivery by a Transport Truck. Deliveries of 4,000 gallons or more shall be classified as Transport Truck deliveries.

### 2) **Products**

At a minimum, the Contractor shall provide the following bulk fuel products:

- Regular, Midgrade, and Premium Unleaded Gasoline
- Regular, Midgrade, and Premium Ethanol 10% (E-10) Unleaded Gasoline
- On-Road Ultra-Low Sulfur Diesel
- Off-Road (Dyed) Ultra-Low Sulfur Diesel

### 3) **Prior State Usage**

The State’s estimated annual usage of bulk fuel for the specified Regions are listed below. This usage includes only the estimates from State Agency users of the State’s previous Bulk Fuel contract from April 1, 2024 through February 28, 2025. Please note that previous usage estimates from Political Subdivisions and Quasi State Agencies are not available.

Tank Wagon			
Regions	Est. Gasoline (Gal)	Diesel (Gal)	Est. Total Gallons
Regions: A, B, C, D, G, I, L	266,447	374,563	642,010

Transport Truck			
Regions	Gasoline (Gal)	Diesel (Gal)	Est. Total Gallons
Regions: A, D, G, L	6,886	26,738	33,624

### 4) **Product Quality**

- A) The Contractor shall ensure all delivered bulk motor fuels are of a high quality and do not contain any foreign substance, sediment, water, or any other contaminant which may damage any Authorized User’s equipment or fuel storage tanks. Foreign substances include, but are not limited to, bacteria, fungi, and other contaminants commonly referred to as the “diesel bug.”
- B) Bulk fuel products that do not meet the product quality requirements stated herein and are judged by Authorized Users to be unacceptable may be rejected.

In such cases, the Contractor shall remove such motor fuel and replace it at no additional cost to the Authorized User. In addition, the Contractor shall be liable for all charges, labor, and/or materials, including tank cleaning, necessary to bring contaminated tanks back to their pre-contaminated condition.

Evidence of fuel that does not meet the product quality requirements stated herein may include, but not be limited to, tank gauge and/or stick readings, as well as product testing. Pursuant to such evidence and upon determination of the Contractor's responsibility for delivering the fuel, the Contractor may propose an approach to correct the quality using additives or other means. In such cases, documentation will be provided to the Authorized User of the proposed approach and result prior to treatment.

If the quality cannot be corrected, the Contractor shall, at no cost to the Authorized User, remove the fuel; treat, clean, and/or vacuum the tank; and replace the fuel.

**5) Fuel Additives**

The Contractor may provide additive products to Authorized Users that enhance the quality of the bulk motor fuel products. The Contractor shall provide consultation on and testing for the presence of additives and the desired specification or effect on fuel specifications of the additives.

When additives are provided by the terminal, the additives shall be injection blended. For additives provided by the Contractor, when injection blending is available via the equipment on a carrier's truck, the truck and injection blending service will be provided to the Authorized User in a priority manner. Otherwise, the Contractor will be allowed to splash blend additives at the Authorized User's fuel site through verified dropping of additive prior to unloading the bulk motor fuel.

Bidders shall submit a list of offered additives, if any, on the Fuel Additives tab of Attachment C – Price Sheet for OSP consideration. The list shall include the cost of the additive and should include information regarding each additive, such as conversion rate. Approved additives will be available on any resulting contract.

**6) Wet Hosing**

The Contractor may provide wet hosing service to Authorized Users to deliver fuel directly into the fuel tank(s) of vehicles, generators, boats, or other equipment.

Bidders shall submit wet hosing services offered, if any, on the Wet Hosing tab of Attachment C – Price Sheet for OSP consideration. Approved wet hosing services will be available on any resulting contract.

**7) Pricing**

**All prices must be indicated on Attachment C – Price Sheet.**

**A) Fuel Pricing**

The price of the fuel commodity itself shall be determined using the Weekly OPIS PADD 3 Report, average rack price, from the terminal indicated on Attachment C – Price Sheet for each region, regardless of where the supplier actually obtains the fuel. In the event that a designated terminal should fail to report fuel pricing to OPIS for a given week the pricing for the affected fuel type(s) shall default to the Baton Rouge terminal for that week. Should there be an extended period of non-reporting a new terminal may be permanently selected based upon mutual agreement between the successful contractor and the State of Louisiana. The average rack price in the OPIS PADD 3 Report will be effective for deliveries beginning the Monday following the Report's publication.

B) Fuel Markup

The Fuel Markup shall be a per gallon charge. See the Fuel Markup tab of Attachment C – Price Sheet.

The markup shall include all applicable charges, other than freight, for costs, overhead, and margins. Do NOT include freight costs or any applicable taxes in the Fuel Markup.

The Fuel Markup for Gasoline shall be the same for Regular, Midgrade, and Premium Unleaded Gasoline and Regular, Midgrade, and Premium Ethanol 10% (E-10) Unleaded Gasoline. The Fuel Markup for Diesel shall be the same for On-Road Ultra-Low Sulfur Diesel and Off-Road (Dyed) Ultra-Low Sulfur Diesel. Bids providing different Fuel Markups for different Gasoline or Diesel types will be considered non-responsive. For example, providing a Fuel Markup for Regular Unleaded and a different Fuel Markup for E-10 will be considered non-responsive.

To be considered for award, Bidders must provide a Fuel Markup for all order sizes in the Transport Truck categories for both fuel types in each region the Bidder is seeking an award. For example, to be eligible for award of Transport Truck deliveries in Region A, the Bidder must provide a Fuel Markup for order sizes of 4000-5999 gallons, 6000-7499 gallons, and 7500+ gallons for Gasoline and Diesel.

Prices **must be limited to four places** behind the decimal due to computerization. If price is submitted for more than four places behind the decimal, it will be rounded up or down to the nearest ten thousandth. The mark-up price shall remain firm throughout the initial term of the contract.

C) Freight Charge

The Freight Charge shall be a per gallon charge to compensate the supplier for costs associated with delivery of the fuel. See the Freight Charge tab of Attachment C – Price Sheet.

To be considered for award, Bidders must provide a Freight Charge for all order sizes in the Tank Wagon or Transport Truck categories for each parish in each region the Bidder is seeking an award. For example, to be eligible for award of Transport Truck deliveries in Region L, the Bidder must provide a Freight Charge for order sizes of 4000-5999 gallons, 6000-7499 gallons, and 7500+ gallons for St. Helena, St. Tammany, Tangipahoa, and Washington Parishes.

Please note, St. James and St. John Parishes are split between two regions. The portion of St. James Parish on the east bank of the Mississippi River is in Region A; the west bank is in Region C. The portion of St. John Parish on the east bank of the Mississippi River is in Region B; the west bank is in Region C.

The Freight Charge shall remain firm throughout the initial term of the contract.

D) Allowable Fees

- i) All Allowable Fees may not exceed the amount indicated on the Successful Contractor's bid and must be communicated to the Authorized User prior to assessment of the fee. See the Allowable Fees tab of Attachment C – Price Sheet.
- ii) Pump Fee: A Pump Fee may be charged when Transport Trucks must make deliveries to above ground storage tanks.
- iii) Back Haul Fee: A Back Haul fee may be charged if an Authorized User orders more fuel than the Authorized User's tank can hold.
- iv) Cancellation Fee: A Cancellation Fee may be charged for the cancellation of an order with less than four hours' notice.
- v) Same Day Delivery Fee: A Same Day Delivery Fee may be charged when the Authorized User requests delivery with less than 24 hours' notice.
- vi) Demurrage Fee: A Demurrage Fee may be charged for every 15 full minute interval after the first hour on site upon carrier's initial arrival during the delivery window when the carrier is required to wait for the Authorized User at the delivery location. The total Demurrage Fee per delivery shall not exceed

**Attachment B – Specifications****RFx 3000024324****Supplemental Bulk Fuel Statewide Contract****T-Number 91693**

\$200 and shall be included on the fuel invoice.

- vii) Split Delivery Fee: A Split Delivery Fee may be charged for deliveries made to multiple Authorized User locations on different properties no more than 30 miles apart. The fee may be charged per split, for example, if two locations require delivery, one Split Delivery Fee may be charged; if three locations require delivery, two Split Delivery Fees may be charged.
- viii) Minimum Order Fee: A Minimum Order Fee may be charged for Tank Wagon deliveries less than 200 gallons.
- ix) No other charges of any kind are allowed.
- x) Allowable Fees shall remain firm throughout the entire term of the contract.

**E) Price Escalation**

The Fuel Markup and Freight Charge may be negotiated following the initial contractual period, and annually thereafter. Price adjustments may be permitted for changes in the Contractor's cost of materials or services. The Contractor shall submit a written request for a price adjustment no fewer than 60 days prior to the contract renewal date. No adjustments shall be effective until approved in writing by the Office of State Procurement. The State reserves the right to accept, reject, or negotiate the proposed price adjustment.

The Producer Price Index (PPI) series PCU4842204842206 [Specialized freight (except used goods) trucking, local] and/or PCU4885 [Freight transportation arrangement], published by the Bureau of Labor Statistics, United States Department of Labor will be used as a guide in reviewing any price adjustments.

**8) Taxes**

State Agencies, and certain other Authorized Users, are exempt from some of the taxes and government-imposed fees associated with fuel purchases. The tables below indicate those taxes and fees from which State Agencies are exempt. The Contractor shall include on the invoice all applicable taxes and fees from which the Authorized User is not exempt. For questions regarding applicable fuel taxes, contact the Department of Revenue at (225) 219-7656.

<b>All Grades Gasoline</b>	<b>Cents Per Gallon</b>	<b>Exemptions</b>
Gasoline Federal Excise Tax	0.18300	State is Exempt
Federal Leaking Underground	0.00100	
Gasoline Louisiana Excise Tax	0.20000	
Louisiana Underground Storage Fee	0.00800	State is Exempt if delivered into Aboveground Tank
State Inspection Fee	0.00125	
Federal Oil Spill Liability Fund	0.00214; 0.001926 for E-10	
Superfund Tax	0.00391; 0.00352 for E-10	

On Road Diesel (Low Sulfur)	Cents Per Gallon	Exemptions
Diesel Federal Excise Tax	0.24300	State is Exempt
Federal Leaking Underground	0.00100	
Diesel Louisiana Excise Tax	0.20000	
Underground Storage Fee	0.00800	State is Exempt if delivered into Aboveground Tank
State Inspection Fee	0.00125	
Federal Oil Spill Liability Fund	0.00214	
Superfund Tax	0.00391	

Off Road Diesel (High Sulfur)	Cents Per Gallon	Exemptions
Sales Tax	4.45%	State is Exempt
Underground Storage Fee	0.00800	State is Exempt if delivered into Aboveground Tank
State Inspection Fee	0.00125	
Federal Oil Spill Liability Fund	0.00214	
Superfund Tax	0.00391	
Federal Leaking Underground	0.00100	

**9) Delivery**

- A) All deliveries shall be FOB Destination.
- B) Deliveries will only be accepted during normal business hours, which are considered to be Monday through Friday according to the hours of operation for each Authorized User's location. However, Authorized Users may allow for and request deliveries outside of normal business hours during times of demand spikes, regional or industry-wide fuel shortages, urgent need, State declared emergencies, and catastrophes.
- C) The Contractor must verify the Authorized User's normal business hours prior to delivery. All vehicles and equipment used in the delivery of bulk motor fuel products shall be in good repair and operated by delivery personnel in a professional and workmanlike manner. The Contractor shall be responsible for the performance of all delivery personnel.
- D) Fuel is to be delivered to the Authorized User's tank(s) within 48 hours following order unless specified otherwise by the Authorized User.

- E) Authorized Users may request same day delivery. The Contractor may assess a same day delivery charge. The same day delivery charge may not exceed the amount indicated on the Contractor's bid and may only be assessed if the Authorized User requests same day delivery.
- F) The Contractor must give Authorized Users prior notice of when their order will be delivered. The Contractor shall forfeit any applicable demurrage or cancellation fees if prior notice is not given.
- G) The Contractor must make all reasonable efforts to fulfill any order. Refusal to deliver a valid order may constitute breach of contract.
- H) All deliveries shall be made in such quantities and such destinations as requested. The Contractor shall not refuse an order based on the quantity ordered.
- I) All delivery tanks must have a visible sealed marker within the tank for determining volume. Proof of calibration of tank must be available if requested. Deliveries will not be accepted if tank does not have the required visible sealed marker.
- J) The amount of fuel delivered by the Contractor must be within 2% of the amount ordered by the Authorized User.
  - i) Overages: If the quantity delivered is greater than 2% more than the amount ordered, the Authorized User may opt to accept the overage at the Authorized User's sole discretion. If the Authorized User chooses not to accept the overage, the Contractor shall remove the excess fuel so that the total amount delivered is within 2% of the amount ordered.
  - ii) Shortages: If the quantity delivered is greater than 2% less than the amount ordered, the Authorized User may opt to accept the shortage at the Authorized User's sole discretion. If the Authorized User chooses not to accept the shortage, the Contractor shall deliver the remaining fuel due within 24 hours at no additional delivery cost.

**10) Bill of Lading**

The Contractor shall issue a bill of lading or delivery ticket, to the Authorized User after the fuel has been delivered into the Authorized User's tank. The Contractor shall not include any other terms and conditions applicable to the State or any Authorized User on the bill of lading. If such terms and conditions are included, they shall be deemed null and void.

The bill of lading shall include the Authorized User's account information, the order number, the type of fuel delivered, and the volume of fuel ordered. For Transport Truck deliveries, the bill of lading shall include the terminal from which the fuel was pulled and the total volume delivered in both gross and net gallons.

**11) Invoices**

- A) For Transport Truck deliveries, the Contractor shall adjust for volume changes caused by temperature variations and shall invoice based on net gallons delivered.
- B) Invoices will be submitted by the Contractor to the Authorized User and the invoice shall refer to the delivery ticket number, delivery date, purchase order number, quantity, unit price, and delivery point. A separate invoice for each order delivered and accepted shall be submitted by the Contractor in duplicate directly to the accounting department of the Authorized User. Invoices shall show the amount of any cash discount and shall be submitted on the Contractor's own invoice form.

**12) Reid Vapor Pressure (RVP) Index**

Louisiana uses conventional 9.0 RVP gasoline index pricing throughout the year excluding the months of June - September when 7.8 RVP gasoline is mandated by EPA in some areas. 7.8 RVP gasoline shall only be delivered to locations within the EPA mandate.

**13) Spills**

The Contractor shall have sole responsibility for any fuel spill(s) that occurs during delivery that is the fault of the Contractor or any subcontractor. This includes responsibility for all cleanup and costs associated with the spill(s), including, but not limited to, requirements, fines, or fees assessed by the Louisiana Department of Environmental Quality, Environmental Protection Agency, or other regulatory Departments, Agencies, or authorities.

**14) Fuel Sites and Accessibility**

All Authorized User tanks shall be properly equipped to enable the Contractor to safely deliver fuel. The Contractor shall notify the Authorized User immediately of any situation that may be deemed unsafe. The Contractor may refuse to deliver fuel to an unsafe fuel site until the safety issue is resolved. The Authorized User shall work with the Contractor making a delivery to ensure that the Contractor has proper accessibility to all tanks being fueled.

**15) Testing**

- A) The Contractor's deliveries of bulk motor fuel products shall be subject to testing to ensure compliance with applicable laws and product quality requirements. All tests shall be made as per methods specified by the American Society for Testing and Materials (ASTM), unless otherwise agreed to in writing by OSP and the Contractor.
- B) The Contractor must allow Authorized Users to take test samples from delivery trucks. Samples will be sent to an independent lab, LDAF, or any other Authorized User with authority and capability to perform the testing. Samples will be tested for compliance with the specifications. When the test analysis shows the motor fuel product complies with the specifications, the Authorized User will pay for the test. When the test analysis shows the motor fuel product does not meet the specifications, the Contractor shall pay for the test.
- C) Product quality testing performed by the terminal and/or other storage facilities shall be made available to Authorized Users upon their request.

**16) Material Specifications for Gasoline and Diesel Fuel**

- A) Octane: The minimum octane shall be:
  - i) 87 for Regular Unleaded or E-10 Unleaded
  - ii) 89 for Midgrade Unleaded (E-10)
  - iii) 91 for Premium (Super) Unleaded (E-10)
- B) Fuels shall comply with the specifications listed below for each fuel type.

## LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY

## WEIGHTS AND MEASURES DIVISION SPECIFICATIONS

## GASOLINE

**DESCRIPTION:** Gasoline shall be refined hydro-carbon mixtures furnished in Regular, Midgrade, and Premium Unleaded.

**REQUIREMENTS:** Test methods shall be in accordance with procedures established by the American Society for Testing and Materials, particularly ASTM D 4814 specifications.

Property	Test Method	Requirements		
		<u>Regular</u>	<u>Midgrade</u>	<u>Premium</u>
Water and Suspended Matter	Visual Inspection	None	None	None
Corrosion, Copper Strip	ASTM D 130	Not darker than No. 1	Not darker than No. 1	Not darker than No. 1
Distillation Temperature	ASTM D 86	ASTM D 4814 (Table 1,4)		
Vapor Pressure (Reid), psi, max.	ASTM D 5482	ASTM D 4814 (Table 1,4)		
Sulfur, %, maximum	ASTM D 2622	0.10	0.10	0.10
Octane Number (R+M)/2, min.	ASTM D 2699 ASTM D 2700	87.0	89.0	91.0
Lead Content, gm/gal., max.	ASTM D 3237	0.05	0.05	0.05

Gasoline must be products normally distributed for regular trade. No blending at bulk plant or point of delivery will be permitted.

**SAMPLING:** Material may be subject to sampling by the Louisiana Department of Agriculture and Forestry, Weights and Measures Division to ensure conformance to specifications.

**SPECIFICATION:** Requirements are taken from Louisiana Administrative Code, Title 7, Part XXXV, Chapter 3.



**Standard Fuel Specifications for Gasoline and Gasoline-Oxygenate Blends (Distillation)**

Gasoline and gasoline-oxygenate blends sold, offered for sale, or distributed in Louisiana shall meet the following requirements:

1. The latest revision of ASTM D 4814, "Standard Specification for Automotive Spark-Ignition Engine Fuel," as approved and published by ASTM International, except that volatility standards for unleaded gasoline blended with ethanol shall not be more restrictive than those adopted under the rules, regulations, and Clean Air Act waivers of the U.S. Environmental Protection Agency. Gasoline blended with ethanol shall be blended under any of the following three options:
  - a. The base gasoline used in such blends shall meet the requirements of the latest revision of ASTM D 4814; or
  - b. The blend shall meet the requirements of the latest revision of ASTM D 4814; or
  - c. The base gasoline used in such blends shall meet all the requirements of the latest revision of ASTM D 4814 except distillation, and the blend shall meet the distillation requirements of the ASTM specification.

## LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY

## WEIGHTS AND MEASURES DIVISION SPECIFICATIONS

## DIESEL FUEL (Off-road)

DESCRIPTION: Diesel fuel for off-road use shall be a refined hydro-carbon mixture furnished in Grade No. 2D.

REQUIREMENTS: Test methods shall be in accordance with procedures established by the American Society for Testing and Materials, particularly ASTM D 975 specifications.

Property	Test Method	Requirements
Water and Suspended Matter, % by volume	ASTM D 2709	0.05
Corrosion, Copper Strip	ASTM D 130	No. 3
Distillation Temperature °C	ASTM D 86	
90% Recovery, % volume recovered		
Minimum		282
Maximum		338
Sulfur, %, maximum	ASTM D 5453	0.05
Ash, weight, %, maximum	ASTM D 482	0.01
Flash Point, °C, minimum	ASTM D 93	52
Viscosity, mm <sup>2</sup> /S@ 40°C	ASTM D 445	
Minimum		1.9
Maximum		4.1
Cloud Point, °C, maximum	ASTM D 2500	See ASTM D 975
Carbon Residue on 10% residue, % mass	ASTM D 524	0.35
Cetane number minimum	ASTM D 613	40

Diesel must be product normally distributed for regular trade. No blending at bulk plant or point of delivery will be permitted.

SAMPLING: Material may be subject to sampling by the Louisiana Department of Agriculture and Forestry, Weights and Measures Division to ensure conformance to specifications.

SPECIFICATION: Requirements are taken from Louisiana Administrative Code, Title 7, Part XXXV, Chapter 3.

## LOUISIANA DEPARTMENT OF AGRICULTURE AND FORESTRY

## WEIGHTS AND MEASURES DIVISION SPECIFICATIONS

## ULTRA LOW SULFUR DIESEL FUEL

**DESCRIPTION:** On Road Ultra Low Sulfur Diesel shall be a refined hydro-carbon mixture furnished in Grade No. 2D with 15 ppm sulfur (maximum).

**REQUIREMENTS:** Test methods shall be in accordance with procedures established by the American Society for Testing and Materials, particularly ASTM D 975 specification.

Property	Test Method	Requirements
Water and Suspended Matter, % by volume	ASTM D 2709	0.05
Corrosion, Copper Strip	ASTM D 130	No. 3
Distillation Temperature °C	ASTM D 86	
90% Recovery, % volume recovered		
Minimum		282
Maximum		338
Sulfur, ppm, maximum	ASTM D 5453	15
Ash, weight, %, maximum	ASTM D 482	0.01
Flash Point, °C, minimum	ASTM D 93	52
Viscosity, mm <sup>2</sup> /S@ 40°C	ASTM D 445	
Minimum		1.9
Maximum		4.1
Cloud Point, °C, maximum	ASTM D 2500	See ASTM D 975
Carbon Residue on 10% residue, % mass	ASTM D 524	0.35
Cetane number minimum	ASTM D 613	40

Diesel must be product normally distributed for regular trade. No blending at bulk plant or point of delivery will be permitted.

**SAMPLING:** Material may be subject to sampling by the Louisiana Department of Agriculture and Forestry, Weights and Measures Division to ensure conformance to specifications.

**SPECIFICATION:** Requirements are taken from Louisiana Administrative Code, Title 7, Part XXXV, Chapter 3.