



**CONTRACT**

Project: Fuel Purchase  
Bid No: IFB 2000  
Annual Amount of Contract: Not-To-Exceed \$600,000.00

THIS CONTRACT, made this 1st day of July, 2011 by and between the City of Milpitas, hereinafter referred to as the "City of Milpitas" and **Valley Oil Company**, hereinafter referred to as "Contractor",

A. WHEREAS, the City of Milpitas has caused specifications, drawings and other contract documents, hereinafter referred to as "Specifications", to be prepared for certain work on the referenced project; and

B. WHEREAS, said Specifications include:

- Part A – Invitation For Bids
- Part B – Scope of Work
- Part C – Instructions To Bidder
- Part D – Terms and Conditions
- Part E – Special Provisions for Materials & Equipment Furnished By Contractor
- Part F – Special Provisions For Services
- Part G – Addenda
- Part H – Non-Collusion Affidavit
- Part I – Sample Contract
- Part J – Bidder's Statement Regarding Insurance Coverage
- Part K – Worker's Compensation Insurance Certificate
- Part L – Subcontractors List
- Part M – Local Purchasing Preference Certificate

C. WHEREAS, Contractor has offered to perform the proposed work in accordance with the terms of said Specifications as set forth by submission of the Contractor's Proposal;

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties contained in said Specifications and Contractor's Proposal, which are made a part hereof as though fully set forth and incorporated by reference, Contractor hereby agrees to complete the work at the prices and on the terms and conditions listed in the specifications and the Contractor's proposal, and City of Milpitas hereby employs the Contractor and agrees to pay the Contractor the contract prices provided in the specifications and the Contractor's proposal for the fulfillment of the work and the performance of the covenants therein set forth.

IN WITNESS WHEREOF, this contract has been executed on the day and year first above written.

City of Milpitas,  
A Municipal Corporation

\_\_\_\_\_

City Manager

\_\_\_\_\_

Contractor's Signature

\_\_\_\_\_

Title

\_\_\_\_\_

Title

Business Tax Compliance: Certificate No. \_\_\_\_\_

Approved As  
To Content: \_\_\_\_\_  
City Project Manager

Prepared By: \_\_\_\_\_  
City Purchasing Agent

Approved As  
To Form: \_\_\_\_\_  
City Attorney

Approved As  
To Insurance: \_\_\_\_\_  
City Risk Manager

ATTEST:

By \_\_\_\_\_  
City Clerk



City of Milpitas  
**NOTICE**  
**INVITATION FOR BIDS**  
IFB No. 2000  
**GASOLINE AND DIESEL FUEL**



Notice is hereby given that sealed bids will be received at the Information Counter located on the first floor of City Hall at 455 E. Calaveras Blvd., Milpitas, CA 95035-5411, until 2:00 p.m. May 20, 2011 local time, at which time they will be publicly opened and read for furnishing all labor, materials and equipment, and performing all work necessary and incidental to:

Furnishing and delivering gasoline and diesel to City-wide storage tanks in accordance with the City of Milpitas plans, specifications and contract documents.

**SUBMITTING THE BID:** (a) *The City of Milpitas prefers that bids be submitted electronically.* Electronic bids may be submitted through a secure mailbox at Public Purchase ([www.publicpurchase.com](http://www.publicpurchase.com)) until the date and time as indicated in this document. It is the sole responsibility of the supplier to ensure their bid reaches Public Purchase before the closing date and time. There is no cost to the supplier to submit City of Milpitas bids electronically via Public Purchase. (b) Electronic bids may require the uploading of electronic attachments. The submission of attachments containing embedded documents is prohibited. All documents should be attached as separate files. (c) If the supplier chooses to submit the bid directly to the City in writing: The bid must be signed in ink, sealed, and delivered to the City of Milpitas Information Counter in the first floor lobby of City Hall at 455 E. Calaveras Blvd. Milpitas CA 95035 by the "Due Date and Time." The "Solicitation Number" and "Due Date" must appear on the outside of the envelope. It is the sole responsibility of the supplier to ensure their bid reaches The City of Milpitas Purchase Division before the closing date. Bids, modifications, or corrections received after the closing time on the "Due Date" will be considered late and will be returned unopened.

Specifications. Specifications may be examined and obtained at no charge on the Public Purchase website, or by calling 408-586-3162.

Pre-Bid Conference A pre-bid conference will be held on May 10, 2011 at 10:00 AM at the Public Works Conference room 1265 N. Milpitas Blvd., Milpitas CA 95035.

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Signature  
Purchasing Agent

Published: Milpitas Post  
May 6, 2011

**SCOPE OF WORK  
AND  
PRICING**

**SEE EXHIBIT A SCOPE OF WORK AND PRICING ATTACHED**

## INSTRUCTIONS TO BIDDER

**ADDENDA.** Addenda issued pursuant to this IFB, if any, will be posted on the Public Purchase website. However, it is the sole responsibility of the bidder to check the website and/or contact the Purchasing Agent directly to determine that they have included all addenda in their proposal before submitting to the City. Any proposal submitted that does not acknowledge each and every addenda issued will be considered non-responsive. Addenda, if any, must be acknowledged on the bid form in the space provided.

**BID FORMS.** Bid must be submitted on preprinted Bid Forms (See Exhibit A page 12) supplied by the Purchasing Office.

**BID OPENING AND BID RESULTS.** Bids are opened publicly in the Purchasing Office. Interested parties are invited to attend the bid opening. A tabulation of bids received will be available within a reasonable time after the bid opening. Bid results will be faxed or mailed to interested parties upon request.

### **RULES FOR SUBMITTING BIDS.**

- a. **Submittal Deadline. HARD COPY** Bid must arrive at the Information Counter in the first floor lobby of City Hall 455 E. Calaveras Blvd. Milpitas, CA 95035 by the Submittal Deadline shown in these specifications or subsequent addenda. Bids may be submitted by hand, by courier, or any other method specified herein.
- b. **Responsibility.** Bidders are solely responsible for ensuring their bid is received by the City of Milpitas in accordance with the solicitation requirements, before Submittal Deadline, and at the place specified. The City of Milpitas shall not be responsible for any delays in mail or by common carriers or by transmission errors or delays or mistaken delivery. Delivery of bid shall be made at the office specified in IFB 2000. Deliveries made before the Submittal Deadline but to the wrong City of Milpitas office will be considered non-responsive unless re-delivery is made to the office specified before the Submittal Deadline.
- c. **Extension of Submittal Deadline.** The City of Milpitas reserves the right to extend the Submittal Deadline when it is in the best interest of the City of Milpitas.
- d. **Facsimile Transmissions.** Bids may NOT be submitted by facsimile, unless otherwise specified herein.
- e. **Forms.** To be considered for award, each bid shall be made on forms furnished by the City of Milpitas.
- f. **Late Bids.** The Submittal Deadline is FIRM. Bids will NOT be accepted after the Submittal Deadline and will be returned to the Bidder unopened.
- g. **Signature.** To be considered for award, each bid shall be signed by an authorized representative of the Bidder.
- h. **Sealed. HARD COPY** Bid MUST BE submitted in a sealed envelope.

Electronic responses must conform to the guidelines in the Invitation for Bid, page 1, section "SUBMITTING THE BID" (a), (b).

**SUBMITTAL DEADLINE.** The Submittal Deadline is May 20, 2011 by 2:00 PM, local time. **The receiving time in the Purchasing Office will be the governing time for acceptability of bids.**

BID WITHDRAWAL. Bidders' authorized representatives may withdraw bids only by written request received by the Purchasing Agent before the Bid Submittal Deadline. After that time, Bidders may not withdraw their bids for a period of ninety- (90) days from the Bid Submittal Deadline. At no time may the successful Bidder(s) withdraw his bid.

INFORMED BIDDERS. Before submitting bids, Bidders must fully inform themselves of the conditions, requirements and specifications of the work or materials to be furnished. Failure to do so will be at Bidders' own risk and they cannot secure relief on the plea of error.

LATE BIDS. Bids not received by the Bid Submittal Deadline are late. Late bids will be returned to Bidders unopened.

LOCAL PURCHASING PREFERENCE. Pursuant to Section I-2-3.14 "Local Purchasing Preference" of the City of Milpitas Municipal Code allows the City to offer a local bidder within 10% of the winning bid of a non-local bidder the opportunity to reduce his price to an amount equal to the lowest bidder and thereby be deemed to be the lowest bidder.

PRICES, NOTATIONS, AND MISTAKES. All prices and notations must be in ink or typewritten. Mistakes may be crossed out and corrections typed or printed adjacent to the mistake and initialed in ink by the person who signs bid. Prices shall be stated in units and quotations made separately on each item. In case of conflict, unit prices will govern. Where there is a conflict between words and figures, words will govern.

OFFERS OF MORE THAN ONE PRICE. Bidders are allowed to submit more than one bid but not more than four bids. Bidders may submit one Base Bid and up to three Alternate Bids. Where Bidder submits more than one bid, one bid shall be marked "Base Bid" and the others shall be marked "Alternate Bid". Each Base Bid and each Alternate Bid shall be submitted in accordance with the terms and conditions of this bid solicitation. Bidders may reproduce this bid package to submit alternate bids. Additional bid packages will not be furnished by the City of Milpitas.

INTERPRETATION OF CONTRACT DOCUMENTS. If any person is in doubt as to the true meaning of any part of the specifications or other contract documents, or finds discrepancies or omissions in the specifications, he may submit to the City of Milpitas a written request for an interpretation or correction. Requests for interpretations shall be made in writing via Public Purchase. To insure fairness, no oral requests by telephone or in person shall be accepted. In Public Purchase just click on the title of the bid and the bid page will open up, then on the right hand side of the page under "Questions" click on [View/Ask questions] and type in your question. Answers will be sent via e-mail notification to all registered bidders. The cut off for asking questions is 2:00 PM March 18, 2011. Questions answered on Public Purchase are considered to be a part of or clarifications of the Invitation for Bid and are considered to be addenda. From time to time the City may also issues separate addenda through Public Purchase and they shall also become a part of the Invitation for Bid. It is the responsibility of each Bidder to ensure that they have registered on Public Purchase. To register on Public Purchase contact the Purchasing Agent directly at 408-687-1639. Any prospective Bidder who obtained a set of contract documents from anyone other than the City of Milpitas is responsible for contacting the City of Milpitas Purchasing Agent at the number listed above and registering on Public Purchase; this is the only way you can receive addenda and/or ask questions about the IFB. The same rules apply to technical and site related questions.

TERMS OF THE OFFER. City of Milpitas' acceptance of Bidder's offer shall be limited to the terms herein unless expressly agreed in writing by the City of Milpitas. Bids offering terms other than those shown herein will be declared non-responsive and will not be considered.

TERM. The term of the contract shall be from date of award to June 30, 2013 with three (3) one-year options to renew through June 30, 2016, based on satisfactory performance by the contractor. The City may exercise the renewal option years by written notice to the Contractor by mail, fax or email, including a Purchase Order, sent no later than the last day of the current term.

## TERMS AND CONDITIONS

ATTORNEY FEES. In the event a suit or action is instituted in connection with any controversy arising out of this contract, the prevailing party shall be entitled to receive, in addition to its costs, such sum as the court may adjudge reasonable as to attorney's fees and costs.

BIDDER AGREEMENT TO TERMS AND CONDITIONS. Submission of a signed bid will be interpreted to mean Bidder has agreed to all the terms and conditions set forth in the pages of this solicitation.

CANCELLATION OF CONTRACT. The City of Milpitas may cancel this contract WITHOUT CAUSE at any time by giving thirty (30) days written notice to the supplier/contractor. The City of Milpitas may cancel this contract WITH CAUSE at any time by giving ten (10) days written notice to the supplier/contractor. Cancellation for cause shall be at the discretion of the City of Milpitas and shall be, but is not limited to, failure to supply the materials, equipment or service specified within the time allowed or within the terms, conditions or provisions of this contract. The successful Bidder may not cancel this contract without prior written consent of the Purchasing Agent.

COMPLIANCE WITH OR DEVIATION FROM SPECIFICATIONS. Bidder hereby agrees that the material, equipment or services offered will meet all the requirements of the specifications in this solicitation unless deviations from them are clearly indicated in the Bidder's response. Bidder may submit an attachment entitled "Exceptions to Specifications", which must be signed by Bidder's authorized representative. An explanation must be made for each item to which an exception is taken, giving in detail the extent of the exception and the reason for which it is taken. Bids failing to comply with this requirement will be considered non-responsive. Submittal of brochure or other manufacturer literature is desirable but shall not be an acceptable substitution for this requirement.

COMPLIANCE WITH LAWS. All bids shall comply with current federal, state, local and other laws relative thereto.

FORCE MAJEURE. If execution of this contract shall be delayed or suspended and if such failure arises out of causes beyond the control of and without fault or negligence of the Contractor, the Contractor shall notify the City of Milpitas, in writing, within twenty-four (24) hours, after the delay. Such causes may include but are not limited to acts of God, war, acts of a public enemy, acts of any governmental entity in its sovereign or contractual capacity, fires, floods, epidemics, strikes and unusually severe weather.

FORMATION OF CONTRACT. Bidder's signed bid and City of Milpitas' written acceptance shall constitute a binding contract.

LAWS GOVERNING CONTRACT. This contract shall be in accordance with the laws of the state of California. The parties stipulate that this contract was entered into in the county of Santa Clara, in state of California. The parties further stipulate that the county of Santa Clara, California is the only appropriate forum for any litigation resulting from a breach hereof or any questions risen here from.

NOMENCLATURES. The terms Successful Bidder, supplier, vendor, and contractor may be used interchangeably in this solicitation and shall refer exclusively to the person, company, or corporation with whom the City of Milpitas enters into a contract as a result of this solicitation.

REJECTION OF BIDS. The City of Milpitas reserves the right to reject any bids, all bids, or any part of any bid presented and re-advertise for bids. The City reserves the right to cancel the solicitation and make no award. The City of Milpitas reserves the right to reject the bid of any Bidder who previously failed to perform adequately for the City of Milpitas or any other governmental agency. The City of Milpitas expressly reserves the right to reject the bid of any Bidder who is in default on the payment of taxes, licenses, or other monies due the City of Milpitas. The City accepts no liability for any cost incurred by any bidder in the preparation of a bid. All costs associated with the preparation of a bid shall be born solely by the bidder

SAFETY. All articles delivered under this contract must conform to the Safety Orders of the State of California, Division of Industrial Safety.

SELL OR ASSIGN. The successful Bidder shall not have the right to sell, assign, or transfer, any rights or duties under this contract without the specific written consent of the City of Milpitas.

SEVERABILITY. If any provisions, or portions of any provisions, of this contract are held invalid, illegal, or unenforceable, they shall be severed from the contract and the remaining provisions shall be valid and enforceable.

SUBCONTRACTOR COMPETENCY. The Successful Bidder will be required to establish to the satisfaction of the City of Milpitas the competency, reliability and responsibility of the subcontractors proposed to furnish or perform the work described in the contract documents. Before the award of the contract, the City of Milpitas will notify the Bidder in writing if, after due investigation, the City of Milpitas has reasonable objection to any proposed subcontractor. If the City of Milpitas has reasonable objection to any subcontractor the Bidder shall submit an acceptable substitute person to the City of Milpitas. Persons and entities proposed by the Bidder to be used as subcontractors, and to whom the City of Milpitas has made no reasonable objection, must be used on the work for which they were proposed and shall not be changed except with the written consent of the City of Milpitas.

SUBCONTRACTOR INFORMATION. If the proposal includes the use of subcontractors, Proposer must identify specific subcontractors and the specific requirements of this RFP for which each proposed subcontractor would perform services.

SUBCONTRACTOR SUBSTITUTION. The provisions of the California Subletting and Subcontracting Fair Practices Act (California Public Contract Code §§4100-4113) are incorporated herein by this reference and **Bart Damele** on behalf of the City of Milpitas is authorized to consent to substitutions as provided therein.

TAXES, SALES. California Sales Tax should be shown separately on the Invoice.

WAIVER OF INFORMALITIES. The City of Milpitas reserves the right to waive informalities or technicalities in bids.

## **SPECIAL PROVISIONS FOR MATERIALS & EQUIPMENT**

**AUTHORIZED DISTRIBUTOR.** Successful Bidder must be an authorized distributor for the product he offers, or with his bid he must submit documentation from an authorized distributor that he has purchased the specified product/equipment from that distributor and that the distributor will honor all of the manufacturer's warranties.

**BRAND NAMES.** Manufacturers names, trade names, brand names, model and catalog numbers used in these specifications are for the purpose of describing and establishing general quality levels. Such references are not intended to be restrictive. Bids will be considered for alternative brands that meet or exceed the quality of the specifications listed for any item.

**BRAND SUBSTITUTIONS.** Bids will be considered on equipment or material complying substantially with specifications, provided each deviation is stated and each substitution is described in detail. Standard catalog sheets or technical data will not be accepted in lieu of this requirement. The City of Milpitas will be the sole determiner of whether such substitutions are equivalent to the materials or equipment specified.

**COMPLIANCE WITH OSHA.** Bidder agrees that all item(s) offered comply with all applicable Federal and the State Occupational Safety and Health Act, laws, standards and regulations, and that Bidder will indemnify and hold the City of Milpitas harmless for any failure to so conform.

**DELIVERY HOURS.** Unless otherwise specified, all items must be delivered to: Monday through Friday, between the hours of 8:00 A.M. & 12:00 P.M. and 1:00 P.M. and 5:00 P.M., excluding holidays.

**TESTING.** After delivery, random samples may be submitted to a commercial laboratory, or other inspection agency, for testing to determine if they conform to the specifications. In cases where tests indicate the samples do not meet specifications, the cost of the testing shall be borne by the contractor. When tests indicate the materials do not meet specifications, the City of Milpitas reserves the right to cancel the award and purchase the goods in the open market at the expense of the vendor.

## **SPECIAL PROVISIONS FOR SERVICES**

**ACCESSIBILITY.** The contractor shall fully inform himself regarding any peculiarities and limitations of the spaces available for the performance of work under this contract. He shall exercise due and particular caution to determine that all parts of his work are made quickly and easily accessible.

**AUTHORITY OF THE CITY OF MILPITAS.** Subject to the power and authority of the City of Milpitas as provided by law in this contract, the City of Milpitas shall in all cases determine the quantity, quality, and acceptability of the work, materials and supplies for which payment is to be made under this contract. The City of Milpitas shall decide questions that may arise relative to the fulfillment of the contract or the obligations of the contractor hereunder.

**BUSINESS LICENSE.** If the scope of work under this bid includes performing services or installation on City of Milpitas property, the SUCCESSFUL BIDDER must have a current City of Milpitas Business License. Inquires regarding Business License may be directed to (name and phone number). Business Licenses are not required for materials or equipment shipped by U.S. mail or common carrier.

**COMPLIANCE WITH FAIR EMPLOYMENT PRACTICE ACT.** Contractor agrees in accordance with Section 1735 and 1777.6 of California Labor Code, and the California Fair Employment Practice Act (Sections 1410-1433) that in the hiring of common or skilled labor for the performance of any work under this contract or any subcontract hereunder, no contractor, material supplier or vendor shall, by reason of race, color, national origin or ancestry, or religion, discriminate against any person who is qualified and available to perform the work to which such employment relates.

**CONTRACT INCORPORATION.** This contract embodies the entire contract between the City of Milpitas and the Contractor. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. No changes, amendments, or modifications of any of the terms or conditions of the contract shall be valid unless reduced to writing and signed by both parties. The complete contract shall include the entire contents of the bid solicitation, all addenda, all of Bidder's successful submittal, supplemental agreements, change orders, and any and all written agreements which alter, amend or extend the contract.

**DAMAGE.** The contractor shall be held responsible for any breakage, loss of the City of Milpitas' equipment or supplies through negligence of the contractor or his employee while working on the City of Milpitas' premises. The contractor shall be responsible for restoring or replacing any equipment, facilities, etc. so damaged. The contractor shall immediately report to the City of Milpitas any damages to the premises resulting from services performed under this contract. Failure or refusal to restore or replace such damaged property will be a breach of this contract.

**EXAMINATION OF SPECIFICATION AND SITE.** Bidder is expected to carefully examine the site of the proposed work and all bid specifications, documents, and forms. He shall satisfy himself as to the character, quality, and quantities of work to be performed, materials to be furnished and the requirements of the proposed specifications.

INDEPENDENT CONTRACTOR. In accepting this contract, Contractor covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder. Contractor further covenants that, in the performance of this contract, no subcontractor or person having such an interest shall be employed. Contractor certifies that to the best of his knowledge, no one who has or will have any financial interest under this contract is an officer or employee of City of Milpitas. It is expressly agreed by Contractor that in the performance of the services required under this contract, Contractor, and any of its subcontractors or employees, shall at times be considered independent contractors and not agents of City of Milpitas.

INSURANCE REQUIREMENTS. Within ten (10) consecutive calendar *days* of award of contract, Successful Bidder must furnish the City of Milpitas with the Certificates of Insurance proving coverage as specified in *Exhibit C Insurance Requirements* and naming the City of Milpitas, its officers and agents, Additional Insured by endorsement.

LAWS - ADHERENCE TO ALL LOCAL, STATE, AND FEDERAL LAWS AND REQUIREMENTS. The contractor shall adhere to all applicable health and safety laws and regulations including, but not limited to, those promulgated by CAL-OSHA, FED-OSHA, EPA, the California State Department of Health Services, and County Environmental Health Department.

**IMPORTANT NOTICE –**

**BID DOCUMENTS TO BE RETURNED**

The following forms must be completed and submitted on or before the Submittal Deadline.

- a. **Bid Form**
- b. **Non-Collusion Affidavit**
- c. **Bidder's Statement Regarding Insurance Coverage**
- d. **Worker's Compensation Insurance Certificate**
- e. **Subcontractors List**
- f. **Local Purchasing Preference Certificate**

Failures to complete, sign (where required), and return the above proposal documents with your proposal may render it non-responsive.

BID FORM

Mid Grade Unleaded Gasoline - 89 Octane  
(Tank Wagon-Bob Tail Delivery)

Specify Brand Tesoro

May 16, 2011, OPIS PAD San Jose Average Price

\$ 3.2391 / gallon

Discount/Increase from OPIS Average Price  
(Circle one) MINUS OR PLUS

\$ .0155 / gallon

Total Price per gallon

\$ 3.2546 / gallon

Diesel Fuel - Red  
(Tank Wagon-Bob Tail Delivery)

Specify Brand Tesoro

May 16, 2011, OPIS PAD San Jose Average Price

\$ 3.2335 / gallon

Discount/Increase from OPIS San Jose Average Price  
(Circle One) MINUS PLUS

\$ .1295 / gallon

Total Price per gallon

\$ 3.363 / gallon

Diesel Fuel # 2 Clear  
(Tank-Wagon-Bob Tail Delivery)

Specify Brand Tesoro

May 16, 2011, OPIS PAD San Jose Average Price

\$ 3.2288 / gallon

Discount/Increase from OPIS San Jose Average Price  
(Circle One) MINUS PLUS

\$ .1295 / gallon

Total Price per gallon

\$ 3.3583 / gallon

Note: Prior to contract award the City may change octane rating.

INVOICE PROCESSING

All invoices shall have the following information provided when forwarded to the City's Account Payable Department:

Delivery location and date

Amount of fuel dispensed

Tank stick reading- before and after readings

Price of fuel, differential and all applicable taxes and surcharges as separate line items

Copy of the OPIS PAD 4/5 Report for the San Jose Area, used for pricing.

Copies of signed delivery receipts.

**Term of Offer.** It is understood and agreed that this bid may not be withdrawn for a period of **ninety (90) days** from the Bid Submittal Deadline, and at no time in case of successful Bidder.

**Bidder's Acknowledgement of His Understanding of The Terms and Conditions.** Signature below verifies that Bidder has read, understands, and agrees to the conditions contained herein and on all of the attachments and agenda.

Bidder acknowledges receipt of Addenda Number(s)     ,     ,     , and     .  
Bidder acknowledges receipt of questions, if any    (Initial to acknowledge.)

*Representations Made Under Penalty Of Perjury.* The representations herein are made under penalty of perjury. We hereby offer to sell the City of Milpitas the above item(s) at the prices shown and under the terms and conditions herein, attached, or incorporated by reference.

Valley Oil Co.

Bidder Name  
(Person, Firm, Corp.)



Signature of Authorized Representative

785 Yuba Dr.

Address

Michael Taft

Name of Authorized Representative

Mtn. View, Ca. 94041

City, State, Zip Code

Manager

Title of Authorized Representative

650-967-2253

Telephone Number

650-967-2388

Facsimile Number

## **Exhibit A**

### **SCOPE OF WORK**

**And**

### **PRICING**

This IFB deals with maintaining all fuel locations (See Exhibit B) on a "keep filled" basis. The contractor will be responsible for monitoring deliveries and developing routes. Deliveries for some locations may only be required once per week and in some cases may require more frequent deliveries. Estimated usage figures shown in Exhibit A are based on past usage and should not be construed as a commitment. No minimum or maximum is guaranteed or implied.

#### **DELIVERY LOCATIONS**

Exhibit B lists all of the delivery locations that exist at the present time. However, the City may add or delete fuel locations during the life of the contact under the same terms and conditions of this contract. Deliveries shall be automated and made to the all prescribed locations Monday through Friday from 7:30 am and 4:00 pm. Due to limited space around the City's storage tanks Contractors will be required to use Bob Tail vehicles (tank wagons) with 5,000 gallon or less capacity for delivery. Please direct any site-specific questions to Eric Weisler, Acting Fleet Maintenance Supervisor, (408) 586-2657.

#### **PRICING**

1. Bidders are to quote an adjustment to the weekly average price published in the OPIS PAD 4/5 Report for the type of fuel requested. The quoted adjustment is to include all delivery, handling or other related charges, but is NOT to include government surcharges or taxes.
2. The adjustment (differential) quoted is to be firm for the term of the contract.
3. Invoiced prices are to be the weekly average price published in the OPIS PAD 4/5 Report for the San Jose Area + or - the vendors quoted adjustment. The weekly OPIS PAD printed price every Monday will be used for Monday through Friday deliveries.
4. Contractor will be required to supply the City, at the contractor's expense, a copy of the OPIS PAD 4/5 report for the San Jose area rack by E-mail or fax on each Monday during the term of the contract for pricing verification purposes.
5. The Contractor shall pass along to the City any and all rebates, allowances or other pricing reduction incentives being offered to customers of the Contractor, including any pass through incentives from refineries.
6. All prices are to be FOB destination. Any freight or delivery charges are to be included.

**EXHIBIT B**  
**City Facilities with Fuel Tanks**

**Aboveground Tanks**

Facility Name	Address	Tank Contents	Capacity	Annual Usage Est.	Delivery Hours	Delivery Days
Milpitas - California Circle Pump Station	1735 California Cir.	Diesel	1,000	500	8 to 4	Weekdays
Milpitas - Fire Station 1	25 Curtis Ave	Diesel-# 2	1,000	7,000	8 to 4	Weekdays
Milpitas - Fire Station 1	25 Curtis Ave	Unleaded Gas	1,000	3,000	8 to 4	Weekdays
Milpitas - Fire Station 2	1263 Yosemite Dr	Diesel-# 2	1,000	3,000	8 to 4	Weekdays
Milpitas - Fire Station 3	45 Midwick Dr	Diesel-# 2	500	3,500	8 to 4	Weekdays
Milpitas - Fire Station 4	775 Barber Ln	Diesel-# 2	2,000	3,000	8 to 4	Weekdays
Milpitas - Gibraltar Pump Station	641 Gibraltar Ct.	Diesel	10,000	15,000	8 to 4	Weekdays
Milpitas - McCarthy Pump Station	1001 McCarthy	Diesel-	2,000	1,000	8 to 4	Weekdays
Milpitas - Oak Creek Pump Station	1515 McCarthy	Diesel	2,000	1,000	8 to 4	Weekdays
Milpitas- Zone 2 Pump Station	1429 E. Calaveras Bl	Diesel	1,000	3,000	8 to 4	Weekdays
Milpitas- Murphy Ranch	801 Murphy Ave	Diesel	2,000	500	8 to 4	Weekdays

**Underground Tanks**

Facility Name	Address	Contents	Capacity	Annual Usage Est.	Delivery Hours	Delivery Days
Milpitas - Bellew Pump Station	481 Murphy Ranch Rd.	Diesel	2,500	500	8 to 4	Weekdays
Milpitas - Berryessa Pump Station	740 Folsom Circle	Diesel	1,000	1,000	8 to 4	Weekdays
Milpitas - California Landing Pump Station	345 Jurgens St.	Diesel	2,500	250	8 to 4	Weekdays
Milpitas - Corporation Yard	1265 N. Milpitas Blvd.	Diesel-# 2	12,000	20,000	8 to 4	Weekdays
Milpitas - Corporation Yard	1265 N. Milpitas Blvd.	Unleaded Gas	12,000	130,000	8 to 4	Weekdays
Milpitas - Penitencia Pump Station	782 La Honda	Diesel	1,000	500	8 to 4	Weekdays
Milpitas - Pinewood Pump Station	232 Greentree Way	Diesel	1,000	500	8 to 4	Weekdays
Milpitas-Wrigley Ford Pump Station	75 Marilyn Dr.	Diesel	500	500	8 to 4	Weekdays
Milpitas-City Hall Complex	455 E. Calaveras	Diesel	500	500	8 to 4	Weekdays

**ESTIMATED ANNUAL USAGE**

Unleaded : 133,000 gallons

Diesel Red: 8,000 gallons

Diesel # 2: 36,500 gallons

**Non-Collusion Affidavit  
To Be Completed and Submitted With Bid**

State of California  
County of Santa Clara ss.

ROBERT W BUCK (Bidder's Name), being first duly sworn, deposes and says that he or she is Owner of VALLEY OIL COMPANY (Contractor/Business Name) the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the Bidder has not directly or indirectly induced or solicited any other Bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any Bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the Bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the Bidder or any other Bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other Bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and further, that the Bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid."

5-11-2011  
(Date)

VALLEY OIL CO.  
(Signed at (Place))

VALLEY OIL CO.  
Bidder Name  
(Person, Firm, Corp.)

Robert W Buck  
Authorized Representative

785 YUBA DRIVE, MTN VIEW-CA  
Address  
Mtn View  
California 94042  
City, State, Zip

Robert W Buck  
Representative's Name  
Vice President  
Representative's Title

**BIDDER'S STATEMENT  
REGARDING INSURANCE COVERAGE  
To Be Submitted With Bid**

BIDDER HEREBY CERTIFIES that the Bidder has reviewed and understands the insurance coverage requirements specified in the Invitation For Bids No. 2000, to Gasoline and Diesel Fuel. Should the Bidder be awarded the contract for the work, Bidder further certifies that the Bidder can meet the specified requirements for insurance, including insurance coverage of the subcontractors, and agrees to name the City of Milpitas as Additional Insured for the work specified.

Valley Oil Company

Name of Bidder (Person, Firm, or Corporation)



Signature of Bidder's Authorized Representative

Michael Taft, Manager

Name & Title of Authorized Representative

May 11, 2011

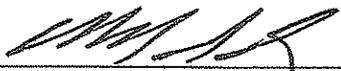
Date of Signing

WORKER'S COMPENSATION INSURANCE CERTIFICATE

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

Valley Oil Company  
Name of Bidder (Person, Firm, or Corporation)

  
Signature of Bidder's Authorized Representative

Michael Taft - Manager  
Name & Title of Authorized Representative

May 11, 2011  
Date of Signing

ATTEST:

By Robert W. Buck  
Signature

VICE PRESIDENT  
Title

### SUBCONTRACTORS LIST

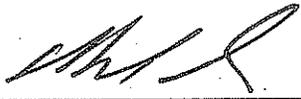
The following is a list of the subcontractors that will be used in the work if the Bidder is awarded the contract, and no subcontractor not listed below will be used without the written approval of the City of Milpitas. Additional numbered pages outlining this portion of the bid may be attached to this page. **NOTE: Subcontractors' address, telephone number, license numbers, class and expiration date information may be omitted from this form but must then be submitted within two (2) working days following the opening of bids. Subcontractor name, address, and item of work must be stated at the time of the bid.**

Valley Oil Company  
Bidder Name

SUBCONTRACTORS LIST, Page 1		
<i>All Subcontractors in excess of 1/2 of 1% of total bid must be listed.</i>		
SUBCONTRACTOR: <span style="font-size: 1.2em; margin-left: 100px;">N/A</span>	ITEM OF WORK:	
LOCATION/ADDRESS:		
LICENSE NO. CLASS:	EXPIRATION DATE: <span style="margin-left: 40px;">/ /</span>	PHONE: <span style="margin-left: 20px;">( )</span>
SUBCONTRACTOR: <span style="font-size: 1.2em; margin-left: 100px;">N/A</span>	ITEM OF WORK:	
LOCATION/ADDRESS:		
LICENSE NO. CLASS:	EXPIRATION DATE: <span style="margin-left: 40px;">/ /</span>	PHONE: <span style="margin-left: 20px;">( )</span>

LOCAL PURCHASING PREFERENCE CERTIFICATE

I, (Bidder Name) N/A, certify under penalty of perjury that (Company Name) N/A is a Local Provider as defined in Milpitas Municipal Code Section I-2-1.03-15.



Signature of Proposer's Authorized Representative

Michael Tatt Manager  
Name & Title of Authorized Representative

May 11, 2011  
Date of Signing



## EXHIBIT C INSURANCE REQUIREMENTS - GENERAL

For purposes of this contract, the following definition applies: City of Milpitas includes the duly elected or appointed officers, agents, employees and volunteers of the City of Milpitas, individually or collectively.

### **Insurance Required:**

No work shall be done under this Contract unless there is in effect insurance required by the Contract and under this section, and such insurance has been approved by the City, nor shall the CONTRACTOR allow any subcontractor to commence work on his subcontract until all insurance required of the subcontractor has been so obtained and approved. The CONTRACTOR shall maintain or cause to be maintained adequate workers' compensation insurance as required under the laws of the State of California, for all labor employed by him or by any subcontractor under him who may come within the protection of such worker's compensation laws of the State of California and shall provide or cause to be provided employer's general liability insurance for the benefit of his employees and the employees of any subcontractor under him not protected by such compensation laws.

### **Minimum Scope of Insurance:**

Coverage shall be *at least as broad as*:

1. Insurance Services Office Form CG 0001 covering Commercial General Liability on an "occurrence" basis.
2. Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

### **Minimum Limits of Insurance:**

Contractor shall maintain limits no less than:

1. **General Liability:** (Including operations, products and completed operations.)  
  
\$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** \$1,000,000 per accident for bodily injury and property damage.
3. **Employer's Liability:** \$1,000,000 per accident for bodily injury or disease.

### **Deductibles and Self-Insured Retentions:**

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

**Other Insurance Provisions:**

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. **The City, its officers, officials, employees, and volunteers are to be covered as insureds** with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the contractor; and with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance (at least as broad as ISO Form CG 20 10 11 85), or as a separate owner's policy.
2. For any claims related to this project, the **Contractor's insurance coverage shall be primary** insurance as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the **Contractor's insurance and shall not contribute with it**.
3. The Insurance Company agrees to **waive all rights of subrogation** against the City, its elected or appointed officers, officials, agents and employees for losses paid under the terms of any policy which arise from work performed by the Named Insured for the City. This provision also applies to the Contractor's Workers' Compensation policy.
4. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after **thirty (30) days' prior written notice (10 days for non-payment)** by certified mail, return receipt requested, has been given to the City.

**Acceptability of Insurers:**

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

**Verification of Coverage:**

Contractor shall furnish the City with original certificates and amendatory endorsements affecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications, at any time.

The Certificate with endorsements and notices shall be mailed to: City of Milpitas, Attention: Purchasing, 455 East Calaveras Boulevard, Milpitas California, 95035-5411.

**Absence of Insurance:**

If the CONTRACTOR allows the insurance to lapse, be cancelled, or be reduced below the limits specified in this article, the Contractor shall cause all work in the Project to cease and any delays or expenses caused due to stopping of work and change of insurance shall be considered CONTRACTOR's delay and shall not be considered to increase cost to the City or increase time in which the Project shall be completed.