

OHIO TURNPIKE COMMISSION

Resolution Awarding a Contract for the Furnishing of Ultra Low Sulfur Diesel Fuel and Ultra Low Sulfur Biodiesel Blend Fuel Pursuant to Invitation No. 4168

WHEREAS, the Commission has re-advertised for bids under Invitation No. 4168 for the furnishing of ultra low sulfur diesel (“ULSD”) fuel and ultra low sulfur biodiesel blend fuel (“Biodiesel”) to the Commission’s eight maintenance buildings for a twelve (12) month period, with two possible one-year renewal options; and

WHEREAS, the expenditures of the Commission under this Contract and its extensions will exceed \$150,000.00 and, in accordance with Article V, Section 1.00 of the Commission's Code of Bylaws, Commission action is necessary for the award of such Contract; and

WHEREAS, bidders were asked to submit bids for two (2) Groups that are based on geographical location of the Commission’s maintenance buildings and, for each Group, to state the price differential per gallon they would charge for ULSD from the weekly reports published by the Oil Price Information Service (“OPIS”), Cleveland, Ohio, and the price differential per gallon they would charge for the B-100 grade of Biodiesel as based on the price per pound of crude soybean oil indicated in the commodity cash prices published daily in the *Wall Street Journal* converted to gallons; and

WHEREAS, two bids were received in response to the Invitation, which were reviewed and analyzed by the Maintenance Engineer, whose report concerning such analysis is before the Commission; and

WHEREAS, the Maintenance Engineer states that the lowest responsive and responsible bids for both Group I and Group II were submitted by **Petroleum Traders Corporation of Fort Wayne, Indiana**, and that this bidder proposes to furnish materials and services in accordance with the Commission's Specifications; and

WHEREAS, the Maintenance Engineer has estimated the quantities of diesel fuel required for the next year at **386,400 gallons** and, based on these quantities, has been able to estimate expenditures with Petroleum Traders Corporation in the amount of **\$1,439,670.00**, however the Maintenance Engineer has recommended that a cushion be built-in to account for the volatility of the diesel fuel market and that the Commission authorize expenditures up to **\$1,500,000.00**; and

WHEREAS, should the quantities of diesel fuel purchased exceed the number of gallons estimated by the Maintenance Department staff by more than ten percent (10%), or the cost of the diesel fuel exceed the \$1,500,000.00 in expenditures allocated for the first contract year by more than ten percent (10%), the Commission will be presented with a new resolution to increase said estimated quantities and/or expenditures; and

WHEREAS, the Director of Contracts Administration has advised the Commission that both bidders qualify for consideration under the Commission’s Domestic and Ohio Preference Policy; and

WHEREAS, the Commission's Director of Contracts Administration has further advised that bids for Invitation No. 4168 were solicited on the basis of the same terms and conditions and the same specifications, that the bids of Petroleum Traders Corporation for Group I and Group II conform to the requirements of Ohio Revised Code Section 5537.07 and Section 9.312; and that a bid guaranty with good and sufficient surety has been submitted by the aforementioned bidder; and

WHEREAS, the Interim Executive Director has reviewed the reports of both the Maintenance Engineer and the Director of Contracts Administration and, predicated on such analysis, has recommended to the Commission that the Contract for Invitation No. 4168 be awarded to the lowest responsive and responsible bidder for both Group I and Group II, Petroleum Traders Corporation, Inc.; and

WHEREAS, the Commission has duly considered such recommendations.

NOW, THEREFORE, BE IT

RESOLVED that the bids of **Petroleum Traders Corporation** for both Group I and Group II under Invitation No. 4168 are deemed by the Commission to be the lowest responsive and responsible bids received and are accepted, and the Interim Executive Director and the Director of Contracts Administration, or either of them, is hereby authorized to: 1) execute a Contract with Petroleum Traders Corporation in the form heretofore prescribed by the Commission pursuant to the aforesaid Invitation; 2) incur expenditures under the Contract in the quantities estimated by the Maintenance Department's staff for the purchase of Ultra Low Sulfur Diesel and Ultra Low Sulfur Biodiesel Blend fuel; 3) direct the return to the bidders of their bid security at such time as Petroleum Traders Corporation has entered into a Contract; 4) exercise the first and second of the two renewal options predicated upon satisfactory performance reviews by the Maintenance Department; and 5) take any and all action necessary to properly carry out the terms of said Contract.

(Resolution No. 41-2011 adopted September 19, 2011)