



Kevin Stahl, Purchasing Manager
240 Villa Crest Drive
State College, PA 16801

To: Robert O'Donnell, Superintendent

From: Kevin Stahl, Purchasing Manager

Re: Annual Bid for Gasoline, Diesel, Heating Oil and Propane

Date: May 31, 2017

Administration seeks approval from the Board of School Directors to award the annual bid for gasoline, diesel fuel, heating oil and propane to the low bid respondents as supported by formal, sealed bidding. These requirements were advertised as mandated with bids requested for the upcoming 2017/18 fiscal year in fixed, cost-plus and prepaid price formats. As might be expected, no vendor was willing to extend desirable fixed or prepaid pricing for gasoline, diesel fuel or heating oil. Conversely, one respondent offered attractive fixed pricing for propane. Therefore, administration is recommending that the cost-plus pricing submitted by C. S. Myers & Son be accepted for gasoline, diesel fuel and heating oil as the lowest cost options. In addition, administration is recommending that the fixed price option submitted by Heller's Gas for propane at Lemont, Houserville and Ferguson Township be accepted, a decision that is supported by Premier Power Solutions, the district's contracted energy consultant. It should be noted that C. S. Myers & Son has long had a presence in the State College market and has served the district admirably in years past. A bid tabulation is included depicting all of the bids in an effort to assist in your decision. The low bids have been highlighted for your convenience.

Historically, costs for these petroleum distillates have fluctuated considerably. Given projected consumption and bid results from 2016/17 and this current bid, the district could experience a minor increase in the costs of diesel, heating oil and propane for fiscal year 2017/18. The cost for gasoline could be marginally lower.

**Gasoline, Diesel, #2 Fuel Oil and Propane
2017/18 Bid Tabulation
SCASD RFQ #2016/17-20**

	Gasoline (Fueling Facility)	Diesel (Fueling Facility)	Gasoline (Delivered)	Diesel (Delivered)	Heating Oil (Bulk)	Heating Oil (Weekly)	Propane (Lemont)	Propane (Housesville /Ferguson Twp.)
C.S. Myers	\$1.4454 + \$.0889 = \$1.5343/gal. *	\$1.4454 + \$.0889 = \$1.5343/gal. *	\$1.4172 + \$.1649 = \$1.5821/gal. *	\$1.4454 + \$.1649 = \$1.6103/gal. *	\$1.4093 + \$.0549 = -\$1.4642/gal.*	\$1.4093 + \$.1649 = \$1.5742/gal. *	No Bid	No Bid
Heller's Gas	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid	\$1.05/gal. *	\$1.05/gal.*
Superior Plus (1)	No Bid	\$1.4814 + \$.176 = \$1.6574/gal.	\$1.4932 + \$.1818 = \$1.6750/gal.	\$1.4814 + \$.2236 = \$1.7050/gal.	\$1.4692 + \$.24 = \$1.7092/gal.	\$1.4692 + \$.24 = \$1.7092/gal.	No Bid	\$1.2578/gal
May 2016 Prices	\$1.5838/gal.	\$1.519/gal.	\$1.6598/gal.	\$1.5945/gal.	\$1.3766/gal.	\$1.4866/gal.	\$.94/gal.	\$.94/gal.
May 2015 Prices	\$1.8658/gal.	\$2.0514/gal.	\$1.9518/gal.	\$2.1374/gal.	\$1.9110/gal.	\$2.0210/gal.	\$1.33/gal.	\$1.33/gl.
May 2014 Prices	\$2.9985/gal.	\$3.0661/gal.	\$3.0585/gal.	\$3.1261/gal.	\$2.8812/gal.	\$2.9695/gal.	\$1.64/gal.	\$1.85gal.

Note: Pricing above is predicated upon a "cost plus" scenario with the exception of the Heller's Gas propane bid which is a fixed annual price.

Highlighted items are the low bid responses.

* Denotes recommended award.

(1) Vendor offers B5 biodiesel at additional cost.