

REQUEST FOR PROPOSALS

PROPOSAL DUE DATE: August 09, 2024 (12:00 Noon MDST)

DESCRIPTION: The NAVAJO NATION
Fleet Management Department
RFP for Proposals for Fleet Bulk Fuel Purchase
RFP NO: 24-07-3421LE

CONTACT PERSON: Raymond Holyan, Department Manager III
OR
Vivian A. Begay, Fleet Coordinator
Fleet Management Department
Division of General Services
THE NAVAJO NATION
Telephone Number: (928) 871-6425
Fax Number: (928) 871-7038

RETURN ALL RESPONSES TO:

DELIVER TO: THE NAVAJO NATION
Fleet Management Department
Division of General Services
Indian Route 100, Bldg. 2749
Window Rock, AZ 86515
ATTN: Raymond Holyan, Dept. Manager III
RFP NO: 24-07-3421LE

OR

MAIL TO: THE NAVAJO NATION
Fleet Management Department
Division of General Services
PO BOX 608
Window Rock, AZ 86515
ATTN: Raymond Holyan, Dept. Manager III
RFP NO: 24-07-3421LE

Please submit three (3) Copies of your Proposal

I. INTRODUCTION

The purpose of this RFP is to solicit competitive proposals from qualified vendors capable of supplying and delivering bulk fuel to meet the operational needs of our fleet. This procurement aims to establish a contractual agreement with a vendor who can provide reliable and cost-effective fuel solutions.

A. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this Request for Proposal (RFP) is to establish a five-year service contract with a certified fuel distributor possessing a minimum of 10 years' experience in the fuel sales and transport industry. The selected vendor will be responsible for supplying unleaded gasoline and diesel fuel to the NAVAJO NATION's Fleet Management fuel storage tanks.

B. INQUIRIES

For any inquiries regarding the description of services, fuel specifications, scope of work, and cost proposal outlined in this RFP, please contact:

- Mr. Raymond Holyan
- Ms. Vivian A. Begay

Contact information for Mr. Holyan and Ms. Begay is provided on the cover sheet of this RFP. They are available to address any questions or requests for clarification during the proposal preparation period.

C. BACKGROUND

The Fleet Management Department oversees automotive fueling services at six (6) dispensing stations located across the Navajo Nation agencies: Crownpoint, Shiprock, Window Rock, Chinle, Tuba City, and one (1) facility in Kayenta, AZ. Their responsibilities include fuel procurement, quantity tracking, user allocations, EPA compliance, and vehicle mileage management.

Annually, approximately 950,000 gallons of fuel (both unleaded and diesel) are utilized to support a fleet of approximately 1,600 vehicles ranging from class I to class XVI. These vehicles collectively cover an average of 21 million miles per year, varying based on their operational areas. Each department vehicle is assigned a designated fueling location corresponding to their respective area agency fueling station.

The FMD operates off proprietary funds, specifically generated from their automotive vehicle services (repairs, routine maintenance, user rates, fuel usage) provided to the Navajo Nation government.

D. SCOPE OF WORK:

In Fiscal Year 2005, Purchasing Services began soliciting weekly fuel bids from distributors based on quoted commodity prices and freight charges for delivering fuel to designated fleet facilities. This approach allows for adjustments to reflect daily fluctuations in fuel prices for both unleaded gasoline and diesel fuel, though diesel fuel bids often necessitate separate deliveries due to smaller reorder quantities.

The Purchasing Services and Fleet Management Department (FMD) have agreed to initiate a bid process for a multi-year fuel contract. This endeavor presents distinct challenges for the FMD, primarily due to the rural nature of fuel sites, which are often located at a considerable distance from refineries. Additionally, logistical hurdles include managing smaller diesel storage capacities, adapting to ethanol fuel blends, and navigating the complexities of the fluctuating fuel market, particularly during peak summer months.

The Fleet Management Department's (FMD) investment in this fuel purchase method represents an annual commitment. The RFP responses should address potential cost savings through improvements in fuel quality and quantity, bulk discounts, and potential efficiencies in fuel delivery routing and scheduling

E. COST PROPOSAL

The purpose of establishing a multi-year contract is to streamline administrative processes within the Navajo Nation, thereby reducing time spent on administrative tasks and allowing for a greater focus on leveraging contractual expertise to ensure the reliable provision of incremental fuel shipments to designated fuel stations.

This cost proposal request falls under the category of average fuel pricing with economic price adjustments, designed to adapt to fluctuating market conditions in an unstable commodity market. The selected pricing mechanism—whether based on average fuel prices or economic adjustments—will be determined based on what is most suitable during specific periods of market instability

In this region, and across most fuel distributors, the use of daily average fuel prices or price index adjustments derived from wholesale regional rack prices or local Oil Price Information Services (OPIS) is standard practice.

1. Fuel Industry Practices

- **Price Adjustments:** Fuel distributors typically base their pricing on daily average fuel prices obtained from wholesale regional rack prices or local OPIS.
- **Standard Requirements:** The Navajo Nation requests that Cost Proposals include:
 - Detailed fuel specifications.
 - Quantities of fuel to be delivered.
 - OPIS or other acceptable price information for transparency in the public bid process.
 - Fuel tax details and other relevant price components.

2. Contract Budget and Proration

- For the remaining fiscal year, the total gallons of fuel requested will be prorated for contract budget purposes.
- Pricing for fuel per gallon should be formatted to four decimal places, as specified in the attached format.

3. Proposal Requirements

- **Detailed Pricing Structure:** Proposals should include:
 - Pricing per gallon of unleaded gasoline and diesel fuel, formatted to four decimal places.
 - Clear breakdown of any additional charges such as delivery fees, fuel taxes, or surcharges.
 - Compliance with all specifications and requirements outlined in the RFP.

4. Evaluation Criteria

- **Transparency and Accuracy:** Evaluation of Cost Proposals will emphasize:
 - Adherence to specified pricing format and clarity in cost breakdown.
 - Alignment with fuel specifications and quantity requirements.
 - Ability to provide transparent and competitive pricing based on industry standards and local market conditions.

II. CONDITIONS GOVERNING THE PROCUREMENT

This section contains the procurement schedule, an explanation of procurement events, and the general requirements governing this procurement.

A. Procurement Schedule:

This section outlines the timeline and key events for the procurement process:

- **RFP Release Date:** [July 29, 2024]
- **Deadline for Submission of Proposals:** [August 09, 2024]
- **Proposal Evaluation Period:** [August 16, 2024]
- **Anticipated Contract Award Date:** [August 30, 2024]

B. Explanation of Procurement Events:

This subsection provides a detailed explanation of the stages and activities involved in the procurement process:

- **Proposal Submission:** Vendors are required to submit comprehensive proposals addressing all specified requirements.
- **Proposal Evaluation:** Proposals will be evaluated based on predefined criteria, including cost competitiveness, compliance with specifications, and proposed delivery schedules.
- **Negotiation (if applicable):** Negotiations may be conducted with shortlisted vendors to finalize terms and conditions.
- **Contract Award:** The contract will be awarded to the vendor(s) whose proposal best meets the needs of the Navajo Nation.

C. General Requirements Governing this Procurement:

This subsection outlines the overarching requirements that govern the procurement process:

- **Compliance:** All proposals must comply with the terms, conditions, and specifications outlined in this RFP document.
- **Contract Terms:** The selected vendor(s) will be required to enter into a contract with the Navajo Nation, detailing the scope of work, pricing, terms of delivery, and other relevant conditions.
- **Confidentiality:** All information provided by vendors during the procurement process will be treated as confidential.
- **Right to Reject Proposals:** The Navajo Nation reserves the right to reject any or all proposals received if deemed in the best interest of the Nation.
- **Communication:** All communication regarding this RFP should be directed to the designated contacts as specified in Section B.

A. EXPLANATION OF EVENTS

The following paragraphs describe the activities listed in the sequence of events shown in Section II, Paragraph A above.

- **Issue RFP**

This RFP is being issued by the Fleet Management Department of the Navajo Nation on July 29, 2024. Copies of the RFP may be obtained from the Purchasing Service Department.

- **Proposed Due Date**

All proposals must be received by the Procurement Buyer no later than 12:00 noon, Mountain Daylight Time, on August 09, 2024. Proposals received after this deadline will not be accepted.

- Proposals must be addressed and delivered to Fleet Management at the address listed in Section I, Paragraph B of this RFP.
- Proposals must be clearly labeled on the outside of the package to indicate the RFP number along with the respondent's name and address.
- Proposals submitted by facsimile will not be accepted.
- A log will be maintained of the names of all proposer organizations submitting proposals. The contents of any proposals shall not be disclosed to competing proposers prior to contract award.
- The Procurement Buyer may, at their discretion, initiate discussions with proposers who submit responsive proposals for the service of fuel purchase or clarifying aspects of this proposal. Proposals may be accepted and evaluated without such discussions. Discussions shall not be initiated by the proposers.

- **Contractor Selection**

The evaluation committee will select and Fleet Management will notify the preferred vendor. The preferred vendor will be offered a contract to complete the proposed work.

- The Fleet Management Department reserves the right to reject all proposals if, in their sole discretion, it is determined that none of the offerors meet the current and/or long-term needs of the Fleet Management.
- The award of a contract shall be made to the offeror whose proposal is most advantageous to the Navajo Nation.

1. **Expected Start Date**

The successful offeror is expected to begin making the necessary arrangements to work with Fleet Management Department upon receipt of the Contract Services Agreement.

2. **Contract Term**

The contract will be for multiple years and shall be effective on date of award and shall run initially for five years with options by mutual agreement

of the Navajo Nation and Contractor to renew for and additional five-year period.

B. GENERAL REQUIREMENTS

This section outlines the specific requirements and conditions that govern the procurement process.

1. Contractor Certification

The contractor must register with the Office of the Navajo Tax Commission in compliance with all provisions of the Navajo Nation Tax statute.

2. Acceptance of Conditions Governing the Procurement

Proposers must indicate their acceptance of the conditions governing this procurement in the letter of transmittal accompanying their proposal.

3. Incurring Costs

Any costs incurred by the proposer in the preparation, transmittal, or presentation of any proposal or material submitted in response to the RFP shall be borne solely by the proposer.

4. Amended Proposal

An offeror may submit an amended proposal before the deadline for receipt of proposals. The amended proposal must completely replace the previously submitted proposal and must be clearly identified as such in the transmittal letter.

5. Offeror's Right to Withdraw Proposal

Offerors have the right to withdraw their proposals at any time before the deadline for receipt of proposals by submitting a written request to the Procurement Buyer.

6. Proposal Offer Firm

Responses to this RFP, including proposal prices, will be considered firm commitments for 30 days after the date for receipt of proposals.

7. Proprietary Information

Any restrictions on data included in proposals must be clearly stated within the proposal itself. Proprietary information submitted in response to this RFP will be

handled in accordance with applicable policies. Each page of proprietary material must be labeled or identified with the word “Proprietary”.

8. Confidentiality of Proposal Contents

Proposals will remain confidential until the contract is awarded. After award, all proposals and related documents will be available to the public, except for proprietary or confidential information.

9. Termination

The RFP may be cancelled at any time, and any or all proposals may be rejected, in whole or in part, if the Fleet Management Department determines such action is in the best interest of the Navajo Nation.

10. Sufficient Appropriation

Contract awards are contingent upon sufficient appropriation of funds by the Navajo Nation Council. Contract awards may be terminated or reduced if sufficient appropriation does not exist. Fleet Management’s determination of fund availability is final.

11. Legal Review

Offerors must agree to all general requirements stated in the RFP. Any concerns should be promptly addressed to the Fleet Management Department.

12. Governing Law

This procurement and any resulting agreement with offerors shall be governed by the laws of the Navajo Nation.

13. Contract Terms and Conditions

The contract between the Navajo Nation and the contractor will adhere to the standard contract format of the Navajo Nation. Fleet Management reserves the right to negotiate additional provisions with the successful offeror beyond those stated in this RFP.

- The contents of the successful bidder’s proposal will become contractual obligations upon contract award. Failure to accept these obligations may result in cancellation of the award.
- Offerors objecting to any terms and conditions must specifically identify objectionable terms and propose alternative language in their response.

14. Right to Waive Minor Irregularities

The evaluation committee reserves the right to waive minor irregularities at its sole discretion.

15. Ownership of Proposals

All documents submitted in response to this RFP become the property of the Navajo Nation and will not be returned to the bidder. Responses received will be retained by the Fleet Management Department and may be reviewed by any person after final selection, subject to confidentiality rules.

III. RESPONSE FORMAT AND ORGANIZATION

A. NUMBER OF COPIES

Offerors must provide two (2) identical copies of their proposal to the location specified for submission in Section I, Paragraph B, on or before the closing date and time for receipt of proposals.

B. PROPOSAL FORMAT

All proposals must adhere to the following format and organization:

1. Proposal Organization

The proposal must be organized and indexed as follows:

- a. Table of Contents
- b. Response to the Scope of Work
- c. Cost Proposal
- d. Response to Navajo Nation Terms and Conditions
- e. Offeror's Additional Terms and Conditions
 - o Each section should be clearly delineated with tabs.
 - o The proposal must follow the order of items as specified in the RFP. Non-compliant proposals may be deemed non-responsive and rejected.

Offerors may include additional materials in a separate appendix to enhance the quality of their response.

2. Letter of Transmittal

Each proposal must include a letter of transmittal with the following details:

- Identification of the submitting organization
- Name and title of the person authorized to contractually obligate the organization
- Name, title, and telephone number of the person authorized to negotiate the contract
- Contact information for clarification purposes
- Explicit indication of acceptance of the Conditions Governing this Procurement
- Signature of the person authorized to contractually obligate the organization
- Acknowledgment of receipt of any amendments to the RFP

IV. EVALUATION

A proposal evaluation committee will assess received proposals based on the scoring methodology outlined below. The committee may request oral presentations from bidders and seek additional information deemed necessary for evaluation.

A. EVALUATION PROCESS

1. Fleet Management will appoint an evaluation review committee.
2. The evaluation committee will review all received proposals to determine compliance with mandatory specifications and will score each proposal according to predefined criteria.
3. Composite scores will be calculated based on the predefined scoring methodology.
4. Offerors will be ranked according to their composite scores.
5. The preferred vendor will be selected based on evaluation results.

B. EVALUATION POINT SUMMARY

The evaluation factors and their assigned points are as follows:

Specification	Points
1. Table of Contents	5
2. Response to the Scope of Work	35
3. Response to the Cost Proposal	50
4. Response to Navajo Nation’s Terms and Conditions	10
5. Licensure to procure, distribute, transport automotive fuel	Total: 100

C. EVALUATION FACTORS

The contract will be awarded to the most responsive and responsible offeror based on:

1. **Table of Contents (5 points):** Organization and clarity of the proposal structure.
2. **Response to the Scope of Work (35 points):** Adequacy and thoroughness of the proposed approach to fuel procurement and distribution.

3. **Response to the Cost Proposal (50 points):** Clarity and competitiveness of proposed pricing and cost structure.
4. **Response to Navajo Nation's Terms and Conditions (10 points):** Compliance and understanding of contractual terms and conditions.