

MA 18P 19120200000000000072
NEW

State of Maine

12/2/19



Master Agreement

Effective Date: 12/02/19

Expiration Date: 11/30/20

Master Agreement Description: Master Agreement for Bioheat Pilot Program

Buyer Information

Michelle Fournier 624-8868 ext. Michelle.Fournier@maine.gov

Issuer Information

Jessica Norton 207-624-8226 ext. Jessica.h.norton@MAINE.GOV

Requestor Information

Jessica Norton 207-624-8226 ext. Jessica.h.norton@MAINE.GOV

Agreement Reporting Categories

Authorized Departments

17D MOTOR TRANSPORT

Vendor Information

Vendor Line #: 1

Vendor ID

VC0000166781

Vendor Name

MAINE BIO-FUEL INC

Alias/DBA

MAINE STANDARD BIOFUELS INC

Vendor Address Information

51 INGERSOL DR

PORTLAND, ME 04103

US

Vendor Contact Information

JARMIN KALTSAS
207-878-3001 ext.
mainebiofuels@yahoo.com

Commodity Information

Vendor Line #: 1

Vendor Name: MAINE BIO-FUEL INC

Commodity Line #: 1

Commodity Code: 40509

Commodity Description: Fuel Oil, Diesel (Use 405-02 for Biodiesel)

Commodity Specifications: Biofuel for certain MaineDOT locations

Commodity Extended Description:

Quantity	UOM	Unit Price
0.00000		0.000000
Delivery Days	Free On Board	
Contract Amount	Service Start Date	Service End Date
0.00	12/02/19	11/30/20
Catalog Name	Discount	
	0.0000 %	
	Discount Start Date	Discount End Date

Terms and Conditions

Agreement Terms and Conditions

T&C #: 165

T&C Name:

T&C Details: Net 30

Please see authorized signatures displayed on the next page

Each signatory below represents that the person has the requisite authority to enter into this Contract.
The parties sign and cause this Contract to be executed.

State of Maine - Department of Administrative and Financial Services

DocuSigned by:
Jaime C. Schorr 12/2/2019
6D6437754DD0459

Signature Date

Jaime C. Schorr, Chief Procurement Officer

Vendor

DocuSigned by:
Rodger Strickland 12/2/2019
6D256846F43C415

Signature Date

Rodger Strickland

Print Representative Name and Title

From: Rodger <rodger@mainestandardbiofuels.com>
Sent: Friday, October 25, 2019 4:32 PM
To: Brooks, Danielle <Danielle.Brooks@maine.gov>
Cc: jarmin@mainestandardbiofuels.com
Subject: Maine Standard Biofuels Quote for Maine DOT Southern Region

EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Danielle,

Attached is our quote for your review for the Maine DOT Southern Maine Region #2 Heating Oil requirement. We are quoting this on a spot buy basis: Sprague rack + .35/cents gallon as our standard. We can also offer Irving rack if you'd prefer. It would be the same adder and the .10/cent gal is for delivery outside our standard territory routes.

We will also gladly report your CO2 reductions back to you quarterly. Here are some benefits to keep in mind when using our B20 blend.

- Sulfur oxides (especially sulfur dioxide, or SO₂) – 80 percent reduction vs. No. 2 heating oil
- Nitrogen oxides (especially nitrogen dioxide, or NO₂) – 20-30 percent reduction vs. No. 2 heating oil
- Carbon dioxide (CO₂) – 20 percent reduction vs. No. 2 heating oil
- Reduces volatile organic compounds (VOCs)

- Reduces particulate matter emissions (particulates)

We look forward to working with you and are ready to begin service upon your confirmation.

Thanks for your consideration and please give us a call with any questions.

Best regards,
Rodger Strickland
Director of Business Development
Cell: 207-808-9031

		Gallons Consumed Per Month Last Year														
#2 Southern Region	Capacity	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Grand Total	MSB Price/ Gal	
ALFRED	660	1,311	671	613	562	69							618	3,843	\$2.52	
BRIDGETON	330	357	515	257	131	128	50			477		14	218	2,147	\$2.52	
BRIDGETON	275	252	370	209	105	123	78			475		40	196	1,848	\$2.52	
BRIDGETON	275	277	128	181	78	66					6		189	925	\$2.41	
DANVILLE	275	184	257	109	58		22				22		151	803	\$2.41	
DANVILLE	275	260	276	192	72	110					2		185	1,097	\$2.41	
FREEPORT	275	316	170	320		127						37	113	1,083	\$2.41	
FREEPORT	550	361	183	356		171						45	79	1,195	\$2.41	
FRYEBURG	330	748	407	331	223							60	577	2,345	\$2.51	
FRYEBURG	330	490	655	291	184		198				212		168	2,196	\$2.51	
FRYEBURG	330	115	149		120		34					85		503	\$2.51	
GRAY	2500		801			658							900	2,359	\$2.41	
KITTERY	660	1,433	1,152	989	748	311	610	416			710		1,563	7,932	\$2.51	
LEBANON	275	145				192								337	\$2.51	
LOVELL	275	153		234		115						69		570	\$2.51	
LYMAN	275				55									55	\$2.41	
NORTH BERWICK	330	1,229	923	685	258	128							451	3,674	\$2.51	
SCARBOROUGH	2500	1,201	700		900								751	3,552	\$2.41	
SCARBOROUGH	4000	978	2,063		1,600							1,352		5,993	\$2.41	
SCARBOROUGH	275		162		485		216						188	1,050	\$2.41	
SCARBOROUGH	275				486	91								578	\$2.41	
SCARBOROUGH	275					131								131	\$2.41	
STANDISH	275	117	247	43	95	12							128	478	\$2.51	
STANDISH	330	506	488	224	441	38					62		451	2,209	\$2.51	
WEST SCARBOROUGH	550	718		272	327									1,318	\$2.41	
YARMOUTH	2500	560	1,100	1,245		1,408							1,754	6,068	\$2.41	
		11,712	11,414	6,551	6,927	3,878	1,207	416	0	952	1,014	1,702	8,680	54,289		
															B20 =	10,858

Bold pricing reflects outside our delivery territory and includes a .10 cent/gal delivery surcharge.
 Price Based on Sprague Rack + .35cents/gal.

State of Maine Waiver of Competitive Bidding Request Form

Form Instructions: Please provide the requested information in the white boxes below. This form is to precede all contract requests that are not the direct result of a competitive bid process.

Requesting Department's Contract Administrator:	Danielle Brooks	Office/Division/Program of Contract Administrator:	MaineDOT Fleet Services
Est. Contract Amount:	\$ 30,000.00	Contract or RQS Number:	20191114000000000628
Proposed Start Date:	December 1, 2019	Proposed End Date:	November 30, 2020
Vendor/Provider Name, City, State:	Maine Standard Biofuels, 51 Ingersoll Drive, Portland, ME 04103		
Short Description of Good or Service:	To provide Bioheat, a blend of biofuel & heating oil, to heat DOT Scarborough facilities		
Please note, for transparency purposes, Waivers of Competitive Bidding will be publicly posted. Public postings are placed on the Division of Procurement Services website for a period of seven consecutive calendar days.	<p>To be completed by the Division of Procurement Services</p> <p>Posting dates on Division of <i>Procurement Services</i> website: From: <u>11/22/2019</u> To: <u>11/28/2019</u></p>		
Notice of Intent to Waive Competitive Bidding Number:	NOI# 1120191917		
1. Statutory Justification State of Maine statute (5 M.R.S. §1825-B(2)) allows waivers of competitive bidding only for the specific reasons listed below. Please mark the appropriate box (X) next to the justification which applies to this specific request.			
<input type="checkbox"/>	A. The procurement of goods or services by the State for county commissioners pursuant to Title 30-A, section 124, involves the expenditure of \$2,500 or less, and the interests of the State would best be served;		
<input type="checkbox"/>	B. The Director of the Bureau of General Services is authorized by the Governor, or the Governor's designee, to make purchases without competitive bidding because, in the opinion of the Governor or the Governor's designee, an emergency exists that requires the immediate procurement of goods or services;		
<input type="checkbox"/>	<i>If citing the above justification for this Waiver of Competitive Bidding request, please have the requesting Department's Commissioner or Chief Executive (as the Governor's "designee") sign and date on the right.</i>	<i>By signing below, I signify as the Governor's designee there is an emergency that necessitates this non-competitive procurement.</i> Signature: Printed Name: _____ Date: _____	
<input checked="" type="checkbox"/>	C. After reasonable investigation by the Director of the Bureau of General Services, it appears that any required unit or item of supply, or brand of that unit or item, is procurable by the State from only one source;		

State of Maine Waiver of Competitive Bidding Request Form

	D. It appears to be in the best interest of the State to negotiate for the procurement of petroleum products;
	<p>E. The purchase is part of a cooperative project between the State and the University of Maine System, the Maine Community College System, the Maine Maritime Academy, or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State involving:</p> <p>(1) An activity assisting a state agency and enhancing the ability of the university system, community college system, Maine Maritime Academy, or a private, nonprofit, regionally accredited institution of higher education with a main campus in this State to fulfill its mission of teaching, research, and public service;</p> <p>(2) A sharing of project responsibilities and, when appropriate, costs;</p> <p><i>If citing the above justification for this sole source request, please note that the specific approval of the Governor's Office is required, in accordance with Executive Order 26 FY 11/12, "An Order to Enhance Competitive Bidding". The approval must be documented on DAFS/BGS/Division of Procurement Services "GOVCOOP" form, found here: http://www.maine.gov/purchases/info/forms/govcoop.doc.</i></p>
	F. The procurement of goods or services involves expenditures of \$10,000 or less, in which case the Director of the Bureau of General Services may accept oral proposals or bids;
	G. The procurement of goods or services involves expenditures of \$10,000 or less, and procurement from a single source is the most economical, effective and appropriate means of fulfilling a demonstrated need.
	If a different authorization specifically allows for this non-competitive procurement, please provide that reference here:
<p>Please note that the following four points below (#2 through 5) <u>all</u> require a response.</p>	
<p>2. Description of Specific Need Please identify, and fully describe, the specific problem, requirement, or need the resulting non-competitive contract would address and which makes the goods or services necessary. Explain how the requesting Department determined that the goods or services are critical and/or essential to agency responsibilities or operations.</p>	
<p>In support of the Governor's Climate Committee, DOT is working with Maine Standard Biofuels, a biorefinery located in Portland, Maine, to Pilot a 20% blend of biofuel mixed with #2 heating oil (B20) – called "Bioheat" - to heat DOT's Scarborough facilities for one year. DOT is still under contract with Dead River for #2 heating oil but has depleted the contracted gallons. Approximately 10,000 gallons have been assigned to this Pilot Program. Dead River will supply the remaining heating oil statewide until their contract expires in November 2020. Maine Standard Biofuels is Maine's only full-service used cooking oil collector and biodiesel manufacturer. "Bioheat" can be used in our existing tanks, does not require any tank or filter modifications, and burns cleaner than traditional #2 heating oil, reducing your carbon footprint. Maine Standard Biofuel's delivery of "Bioheat" currently only reaches to the greater Portland region – which is why we are piloting in Scarborough. This study is a precursor to a larger Biodiesel study involving DOT, Region 1 plow trucks, slated to begin early Summer 2020.</p>	

**State of Maine
Waiver of Competitive Bidding Request Form**

3. Availability of other Public Resources

Please explain how the requesting Department concluded that sufficient staffing, resources, or expertise is not available within the State of Maine's government, or other governmental entities (local, other state, or federal agencies) external to the requesting Department, which would be able to address the identified need more efficiently and effectively than the identified vendor.

Maine Standard Biofuels is Maine's only full-service used cooking oil collector and biodiesel manufacturer at this time.

4. Cost

Since a waiver of competitive bidding is being requested for this procurement, please explain how the requesting Department concluded the negotiated costs, fees, or rates are **fair and reasonable**.

Maine Standard Biofuels quoted \$2.41 per gallon, which includes their \$0.35 per gallon delivery charge and is tax exempt. A contract with Maine Standard Biofuels will operate off the rack (fluctuating) price at Sprague & Curtis – Maine Standard Biofuels #2 heating oil provider. Our most recent delivery of #2 heating oil from Dead River, in Scarborough, was \$2.48 per gallon. Prices are comparable & competitive.

5. Future Competition

Please describe potential opportunities which may be available to foster competition for these goods or services in the future.

If the year-long Pilot Study with Maine Standard Biofuels is successful, DOT plans to expand its use and will send "BIOHEAT" out to bid in hopes that additional biofuel companies have been established. The hope is that sustainable energy is the way of the future, which should foster an increase in competition for biofuel manufacturers and providers.

State of Maine Waiver of Competitive Bidding Request Form

Please note that only one of the two points below ("Uniqueness" or "Timeframe") requires a response. Requesting Departments are not required to respond to both points.

6. Uniqueness

Please explain if the goods or services required are unique to a specific vendor. Describe the unique qualifications, abilities, and/or expertise of the vendor and how those particular unique factors address the specific need identified above. If the vendor has unique equipment, facilities, or proprietary data, also explain the necessity of these particular unique assets.

As stated above, Maine Standard Biofuels is Maine's only full-service used cooking oil collector and biodiesel manufacturer. MSB will provide the State of Maine with "Bioheat" which is credited with an increase in efficiency, cleaner burn, and reduction of emissions. This Pilot Study is in alignment with the Governor's Executive Order to Strengthen Maine's Economy and Achieve Carbon Neutrality by 2045. This exploration into renewable energy presents an opportunity for MaineDOT to reduce greenhouse gas emissions while supporting Maine's local biofuel refinery.

7. Timeframe (Complete only if B. is the Statutory Justification marked on Page 1)

Please explain if time is of the essence and an emergency exists which requires the immediate procurement of goods or services. Describe the nature of this emergency, provide the date by which the goods or services must be delivered, and explain how that date was determined and its significance (i.e. impact if delayed beyond this date). Also, provide information as to how it was determined this vendor is the best option to address this time-sensitive procurement.

Signature of requesting Department's Commissioner or Chief Executive (or designee within the Commissioner's Office):

By signing below, I signify that my Department requests, and I approve of, this Waiver of Competitive Bidding.



Printed Name:

Bruce A. Van Note

Date:

10/29/19