# **Attachment B – Price Proposal**

# **\*\*\*Pricing Clarifications:**

## 1.

Attachment E rows 12 – 54 request the following products:

- 1. Reformulated Regular Unleaded
- 2. Reformulated Midgrade Unleaded
- 3. <u>Reformulated Premium Unleaded</u>
- 4. <u>Conventional Regular Unleaded</u>
- 5. <u>Conventional Midgrade Unleaded</u>
- 6. Conventional Premium Unleaded

As it is unclear whether these products are inclusive of ethanol blends, and since there is very little demand for non-ethanol blends of midgrade and premium designation, Mansfield has provided pricing within these fields using a **10% Ethanol blend by volume**. In the event that a participating agency requires non ethanol blends of gasoline, Mansfield will deliver this product on a cost plus 3 cents basis.

## 2.

Attachment E rows 99-103 request the following products: <u>Diesel Emission Fluid (DEF)</u> Small Gallon Container 55 Gallon Container Bulk Gallon Containment

As it is unclear as to the size of a small gallon container and a bulk gallon containment... As it is unclear as whether the pricing is to be for the container itself, for the product to be placed in the container, or for both at the same time...Mansfield has provided pricing based on delivery of both product and container in the following format.

- a. Small Gallon Container:
  - i. 1 pallet: (96) 2.5 gallon jugs per pallet/container
- b. 55 Gallon Container:

i. 1 pallet: (4) 55 gallon Jugs per pallet/container

- c. Bulk Gallon Containment
  - i. 1 pallet: (1) 330 gallon tote per pallet/container

## 3.

Attachment E rows 99-103 request Diesel Exhaust Fluid to be priced using an OPIS index differential. Diesel Exhaust Fluid is not a published product of the OPIS index, as such Mansfield will utilize the NOLA index to benchmark pricing in the following manner:

- The price for diesel exhaust fluid shall be based on the previous calendar month's average weekly U.S. price for one ton of prilled Urea as listed in the NOLA index published in the Bloomberg Green Markets Report. For every \$1.00 per short ton decrease or increase in the indexed price for the month, the delivered price as described

in Attachment E, will be correspondingly decreased or increased by \$0.0015 per gallon.

- The current NOLA Index price, in which Attachment E pricing is originally based off of is \$250.75
- All DEF Pricing is based off of the assumption that the end customer does not have a forklift onsite for unloading of the pallets/packages ordered. In the event that a customer does have a forklift available onsite, and this asset is volunteered for use at the time of ordering, a \$150 discount per pallet delivered will be deducted from the final invoice.
  - 2. Pricing provided in attachment E is based off of the pallet quantity for each respective container size. Pallet quantities are detailed below.
    - a. Small Gallon Container:
      - i. 1 pallet: (96) 2.5 gallon jugs per pallet/container
    - b. 55 Gallon Container:
      - i. 1 pallet: (4) 55 gallon Jugs per pallet/container
    - c. Bulk Gallon Containment
      - i. 1 pallet: (1) 330 gallon tote per pallet/container

## 4.

### **Additional Discounts**

As currently practiced, Mansfield often provides additionally discounted fuel pricing to agencies located within supply markets where Mansfield is buying better than originally proposed. Mansfield anticipates continuing this practice and will review each participating agency for available discounts upon request.

## 5.

## **Freight Model**

Carriers determine rates by assessing the sites mileage from the terminal, the type of tank and any special delivery requirements. The attached table is indicative of freight rates for locations around the Dallas Metro area. For entities in other markets, freight charges, as specified in the bid, shall be a direct pass through to the end participating agency user. Freight costs are a cent per gallon rate accessed on the gross gallons delivered. Any assessorial charges (i.e. pump, min freight, fuel surcharge, split load, or delay) shall be passed along to the entity with no additional mark up or margin by Mansfield Oil.

### LTL, Bobtail, Tank Wagon, Mobile Refueling.

Within the LTL, tank wagon, bobtail, and mobile refueling delivery method, there are very few "common carriers" as seen with full transport size deliveries. They are not considered common carriers as their delivery service occurs with the fuel supply. Many of these jobbers have their own fuel supply, storage or other means of storage and distribution at the local level. In these types of deliveries fuel is typically provided and included with an all-in delivered price differential to OPIS. Since this all in delivered differential always starts out at OPIS Average, it is impossible to know what the product portion and the freight piece consist of. An all in OPIS average + \$X.XX differential is provided.

To accommodate this type of pricing structure. Mansfield believes it would be advantageous for the contract to adopt a tiered cost plus structure for the "short"/ non-transport/ LTL / tank wagon/ Bobtail, mobile refueling loads, so that pricing remains auditable and competitive across all markets.

Mansfield recommends the following pricing structure for all fuel products delivered or required to be delivered by tank wagon, bobtail, short truck, or mobile refueler. For all fuel products covered under this contract that require delivery by a "short"/ non-transport/ LTL / tank wagon/ Bobtail delivery vehicle, the following administration fees will be applied on a per gallon basis.

1. "Fuel Costs" will default to the regional same day OPIS gross contract average.

2. "Freight costs", which will consist of the jobber's differential to this OPIS gross contract average, will be a direct pass through to the customer.

3. An administrative fee will be applied in a volume delivered tiered structure as seen below.

Delivery Gallons Per Location	inistration e in CPG
500 or Less	\$ 0.20
501-1000	\$ 0.15
1001-1500	\$ 0.13
1501-2000	\$ 0.10
2001-4000	\$ 0.07
4001+	\$ 0.05

Pricing example:

Product: \$ OPIS Average \$ Freight: \$ Direct pass through expense \$ Administrative Fee: \$ per table on the left \$ <u>Taxes: \$ Direct pass through \$</u> Total: \$ Sum of above inputs \$

5.

### Credit Card/Purchasing Card Processing feel

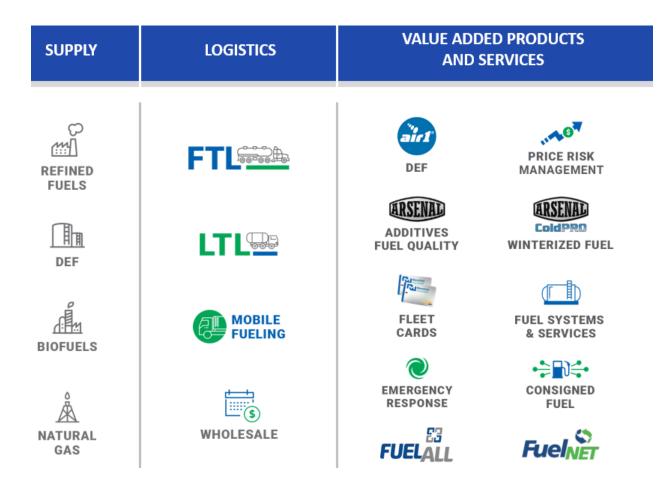
Mansfield will accept purchasing cards with a 3.25% convenience fee per transaction.

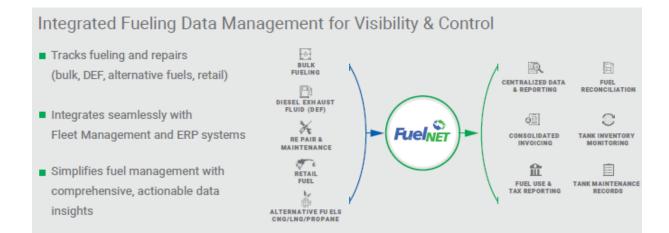
# Additional Products, Services, & Alternative Pricing Structures.

"Although specific products and services may not be listed in the contract, the contract is intended to meet the full product and service needs of agencies nationwide and offered by the Supplier, Pricing of additional products and services shall be negotiated between Participating Public Agencies and Supplier for addition to the contract"

"In cases whereby a differential rate was not provided in the Supplier's response to the RFP, the Supplier may add additional tank wagon and transport load differential rates for existing and new fuel products and blends and delivery locations as well as new and/or existing terminals/rack locations. New differential pricing shall be commensurate with existing contract market differentials for the region whenever possible. Additional differential rates offered shall be subject to PPA approval."

Mansfield foresees the following services and pricing structures as beneficial to participating agencies.





# **Fixed Price Fuel Hedging**

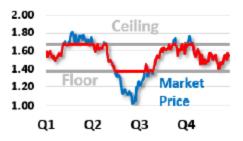
For government agencies who wish to protect their budgets from unexpected market surges, locking in a fixed price fuel hedging program may be a great way eliminate budget blowout. There is no "one size fits all" approach to managing fuel price risk, which is why Mansfield offers a range of options that can be individually priced, agreed upon, and executed based on the market conditions and entities preferences.

### Four key types of hedges:

 Simple fixed price – pay one fixed price for the whole length of the hedge. This is the cheapest and most common hedging option at Mansfield.



 Cap & Collar – pay market price within a determined price range, but your price is locked within an upper and lower limit.



 Price Cap – pay market price with unlimited downside exposure, but with a capped upper limit on price



 Escape Clause – pay one price unless prices fall below a certain range; you're paid the difference between the bottom limit and the market price



# **Mansfield Fuel System and Services Group.**

<u>Inventory Management-Tank Gauge</u> Monthly Cost: \$35.00 \*additional cost may apply if a digital modem cellular service is required to communicate with tank gage.

Monthly EPA Compliance Monitoring Monthly Cost: \$100.00

<u>Transaction Tracking (Bulk tank card, pro-key, or hard key)</u> Monthly Cost: \$150.00

Repairs, Maintenance, System Builds, Fuel Testing Billed at Cost + Markup %: 15% Callout Fee: \$30.00

### Additive

Quoted on a per product per delivery basis.

### **ARSENAL FUEL ADDITIVES**



#### WINTER DIESEL FUEL ADDITIVE

**ColdPRO** is a high performance winter diesel additive formulated to provide fuel operability down to -40°F, while also providing power boost, detergency, and lubricity.

Local Service. Nationwide.



#### PREMIUM YEAR-ROUND DIESEL FUEL ADDITIVE

CLEAN365 is a high performance fuel additive that optimizes fuel economy, cleanliness, lubricity, and stability to recover lost power and improve operability, reducing yearly fuel consumption and costly down-time.



#### WATER REDUCER

DRY TANK disperses entrained water in fuel to inhibit microbial growth and prevent fuel filter plugging, equipment failure, corrosion, and fuel icing.



#### EMERGENCY WINTER DIESEL FUEL RELIQUEFIER

FIRST AID, engineered for emergency use or anticipated extreme conditions, dissolves gelled fuel in tank and equipment systems and returns fuel to a liquid state, inhibiting further gelling or icing.



### POWER GENERATOR WINTERIZED DIESEL ADDITIVE

**TANK ARMOR** is a high-performance winterized diesel additive designed to enhance the performance and extend the storage life of diesel fuel in power generation and agricultural applications.



#### BIOCIDE

**PREDATOR 6000™** Is a powerful biocide, engineered for quick and lasting elimination of microbial activity in ULSD, heating oil, biodiesel, and gasoline. *PREDATOR®* is a registered trademark of Innospec Fuel Specialties in the United States.

## **Emergency Preparedness Fuel Program**

Mansfield makes available dedicated tank wagon and FTL fuel assets that will be moved into an emergency response zone upon an emergency event. These assets will run dedicated delivery routes, delivering fuel to the entity fuel tanks, temporary fuel storage tanks, various vehicles, and employee vehicles as directed by the entity's emergency response team. Bulk fuel will be supplied by Mansfield from the nearest available supply points permitted by storm-related infrastructure outages. These dedicated assets and the fuel supplied by Mansfield will be priced as follows:

1. Since fuel supply can originate from many different potential Mansfield supply points, and because fuel pricing is unpredictable and subject to supply and demand economics, disaster zone fuel pricing is difficult to predict in advance. Mansfield will supply fuel at the nearest available wholesale rack fuel price plus .10 cents per gallon plus taxes. This compares favorably to retail fuel pricing which generally runs 20 - 30 cents per gallon above wholesale rack fuel pricing.

**2.** Dedicated assets will be priced at \$6,000 per day, inclusive of driver labor and all truck operating expenses. Mansfield requires a 6-day minimum commitment per truck asset, including one half day inbound and one half day outbound travel time.

**3.** Mansfield requires a one-day non-refundable retainer of \$6,000 per reserved dedicated asset. If retaining 5 or more asset, pricing will be \$3,000 per asset per year. This deposit will be applied to the two-way one-half day travel times if the asset is called into service. The deposit is non-refundable if the entity does not elect to call the asset into service within a twelve month period.

#### FUELIN N HIGH TOUCH PERSONAL SERVICE · Centralized Administrat FLEET CARD Consolidated Control Expert Card Management Real-Time Responsivenese **UEL** R OPTIMIZED FUEL SUPPLY PORTFOLIO MONITORED · Cost Plus · Retail Minus Price Risk Management Minimized Fees MOBILE N REPORTINGA MOBILE REFUELING ANALYSIS One Version of Truth Actionable Exceptions ALTERNATIVE Performance Management Use Less Lose Less Customized Feeds CNG/LNG/PROPANE FUELING SOLUTIONS

# **Mansfield Universal and Retail Fleet Card**

With the Mansfield Universal Card, drivers have access to approximately 91% of retail fueling locations nationwide. This includes acceptance at more than 180,000 fueling locations and over 60,000 maintenance locations nationwide.

With coverage at all the major regional, national, independent, and travel center brands, Mansfield's nationwide retail network includes discount marketers such as Walmart/Murphy USA, and Kroger – and new sites are being added all the time. Moreover, Mansfield offers a Mobile App which gives drivers a tool to find low price locations in their proximity. Additional information provided upon request

Mansfield's pricing model for retail cards will be based off the posted retail/pump price at the applicable fueling location. Prices will be reflected at the transaction level, with transaction reports and invoices reflecting the contracted original pump price.

## **Consigned Fuel Services**

For government agencies who wish to dissolve their capital investment in their own bulk fuel inventory within their own tanks, and instead achieve the savings of bulk fuel price economics with pay as you pump liability; Mansfield offers consigned fueling programs. Consigned fuel programs allow government entities with ample fuel usage, and transport sized bulk fuel tanks, to pay for fuel only as they disperse it from their tank to their vehicles. While there are many variations to a consigned program, Mansfield will consult and quote each program individually.