



State of New Jersey

DEPARTMENT OF THE TREASURY
DIVISION OF PURCHASE AND PROPERTY
OFFICE OF THE DIRECTOR
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Lt. Governor

MAURICE A. GRIFFIN
Acting Director

July 1, 2020

Via Electronic Mail Only crosso@tayloroilco.com

Jodi Granduke
Taylor Oil Co., Inc.
77 Second Street
P.O. Box 974
Somerville, NJ 08876

Re: I/M/O Bid Solicitation #20DPP00484 Taylor Oil Co., Inc.
Protest of Notice of Proposal Rejection
T0097 Automotive Lubricants

Dear Ms. Granduke:

This letter is in response to your correspondence of June 23, 2020, on behalf of Taylor Oil Co., Inc. (Taylor) which was received by the Division of Purchase and Property's (Division) Hearing Unit. In that email, Taylor protests the Notice of Proposal Rejection issued by the Division's Proposal Review Unit on June 10, 2020 for Bid Solicitation #20DPP00484 - T0097 Automotive Lubricants ("Bid Solicitation"). The record of this procurement reveals that Taylor's Quote was rejected for failing to submit a completed *Ownership Disclosure Form* with its submitted Quote.

By way of background, on February 3, 2020, the Division's Procurement Bureau (Bureau) issued the Bid Solicitation on behalf of the State Agencies, Quasi-State Entities and other Cooperative Purchasing Program participants. The purpose of this Bid Solicitation is to solicit Quotes for Automotive Lubricants: Engine Oils, Diesel Engine Oils, Gear Oils, Greases, Automatic Transmission Fluids (ATF), Tractor Hydraulic/Transmission Fluids, Hydraulic Oils, Diesel Exhaust Fluids (DEF), Antifreeze and Windshield Washer Fluids. Bid Solicitation § 1.1 *Purpose and Intent*. In accordance with Bid Amendment #7, a revised Bid Solicitation was posted on June 2, 2020 to address those questions that were raised during the Question and Answer Period permitted by Bid Solicitation § 1.3.1 *Electronic Question and Answer Period*. It is the State's intent to award Statewide Master Blanket Purchase Orders (Blanket P.O.s) to those responsible Vendors {Bidders} whose Quotes, conforming to this Bid Solicitation are most advantageous to the State, price and other factors considered. Ibid.

On June 19, 2020, the Division's Proposal Review Unit opened Quotes which were received by the submission deadline of 2:00 pm eastern time. After conducting a review of the Quotes received, the Division's Proposal Review Unit issued a Notice of Proposal Rejection to Taylor for failing to complete the *Ownership Disclosure Form* submitted with its Quote.

In response to the Notice of Proposal Rejection, on June 23, 2020, Taylor sent a letter to the Division's Hearing Unit stating:

In the scanning/uploading of required forms for the above bid, page 2 of the Ownership Disclosure Form was inadvertently missed. Attached is the missing page of the form. Taylor Oil Co., Inc. respectfully requests that you reconsider your denial of our bid due to the missing page.

In consideration of Taylor's protest, I have reviewed the record of this procurement, including the Bid Solicitation, Taylor's Quote and protest, the relevant statutes, regulations and case law. The review of the record has provided me with the information necessary to determine the facts of this matter and to render an informed Final Agency Decision on the merits of the protest. I set forth herein the Division's Final Agency Decision.

The Division's administrative regulations that govern the advertised procurement process establish certain requirements that must be met in order for a Quote to be accepted. Those regulations provide in relevant part that:

- (a) In order to be eligible for consideration for award of contract, the bidder's proposal shall¹ conform to the following requirements or be subject to designation as a non-responsive proposal for non-compliance:

...

4. Contain all RFP-required certifications, forms, and attachments, completed and signed as required. An RFP may designate certain forms and/or certifications that need not be included in the bidder's proposal but that must be provided by a successful bidder upon request prior to an award of contract;

[N.J.A.C. 17:12-2.2(a), emphasis added.]

If the requirements of N.J.A.C. 17:12-2.2 are not met, a Quote must be rejected. This regulation mandates stringent enforcement to maintain the equal footing of all Vendors {Bidders} and to ensure the integrity of the State's bidding process.

The subject solicitation was comprised of the Bid Solicitation, other documents and mandatory forms which were specifically addressed in Bid Solicitation Section 4.0 *Quote Preparation and Submission* which states in pertinent part:

Vendor's {Bidder's} failure to complete, sign and submit the forms in Section 4.4.1.2 shall be cause to reject its Quote as non-responsive.

[Bid Solicitation § 4.4.1.2 *NJ Standard Bid Solicitation Forms Required With The Quote.*]

Among those forms required to be submitted with the Quote is the *Ownership Disclosure Form*. With respect to ownership, the New Jersey Legislature, in implementing N.J.S.A. 52:25-24.2, mandated that a Vendor {Bidder} must supply its ownership information, prior to or with its Quote, to be eligible to enter into a Blanket P.O. with the State. N.J.S.A. 52:25-24.2 states, in pertinent part:

¹ "Shall Denotes that which is a mandatory requirement." Bid Solicitation Section 2.2 *General Definitions*.

No corporations, partnership, or limited liability company shall be awarded any [Blanket P.O] nor shall any agreement be entered into for the performance of any work or the furnishing of any materials or supplies, the cost of which is to be paid with or out of any public funds, by the State, or any county, municipality or school district, or any subsidiary agency of the State, or of any county, municipality or school district, or by any authority, board, or commission which exercises governmental functions, unless prior to the receipt of the bid or accompanying the bid, of said corporation, said partnership, or said limited liability company there is submitted a statement setting for the names and addresses of all stockholders in the corporation who own 10 percent or more of its stock, of any class, or of all individual partners in the partnership who own a 10 percent or greater interest therein, or of all members in the limited liability company who own a 10 percent or greater interest therein as the case may be, shall also be listed. The disclosure shall be continued until names and addresses of every noncorporate stockholder, and individual partner, and member exceeding the 10 percent ownership criteria established in this act, has been listed.

The *Ownership Disclosure Form* is specifically discussed in Bid Solicitation Section § 4.4.1.2.1 which states in part:

Pursuant to N.J.S.A. 52:25-24.2, in the event the Vendor {Bidder} is a corporation, partnership or limited liability company, the Vendor {Bidder} must complete an Ownership Disclosure Form.

A current completed Ownership Disclosure Form must be received prior to or accompany the submitted Quote. A Vendor's {Bidder's} failure to submit the completed and signed form with its Quote will result in the rejection of the Quote as non-responsive and preclude the award of a Blanket P.O. to said Vendor {Bidder} unless the Division has on file a signed and accurate Ownership Disclosure Form dated and received no more than six (6) months prior to the Quote submission deadline for this procurement. If any ownership change has occurred within the last six (6) months, a new Ownership Disclosure Form must be completed, signed and submitted with the Quote.

In the alternative, to comply with this section, a Vendor {Bidder} with any direct or indirect parent entity which is publicly traded may submit the name and address of each publicly traded entity and the name and address of each person that holds a 10 percent or greater beneficial interest in the publicly traded entity as of the last annual filing with the federal Securities and Exchange Commission or the foreign equivalent, and, if there is any person that holds a 10 percent or greater beneficial interest, also shall submit links to the websites containing the last annual filings with the federal Securities and Exchange Commission or the foreign equivalent and the relevant page numbers of the filings that contain the information on each person that holds a 10 percent or greater beneficial interest. N.J.S.A. 52:25-24.2.

Vendors {Bidders} using **NJSTART** to submit a Quote shall make the appropriate certification on the “Maintain Terms and Categories” Tab within its profile by checking the applicable box and, if required, completing and attaching the shortened Ownership Disclosure Form. Vendors {Bidders} not using **NJSTART** to submit a Quote must complete the full Ownership Disclosure Form located on the Division’s website.

Vendors {Bidders} may refer to the QRGs “Vendor Forms” and “Attaching Files” for instructions on submitting the forms required by this section of the Bid Solicitation through **NJSTART**. Vendors {Bidders} may also refer to the QRG “Vendor Categories and Certifications” for additional instructions on completing shortened versions of required forms by completing certifications on the “Maintain Terms and Categories” Tab within its profile in **NJSTART**. QRGs are located on the NJSTART Vendor Support Page.

Vendors {Bidders} utilizing **NJSTART** should designate one version of the Ownership Disclosure Form as the Primary Form. In the event that a Vendor {Bidder} fails to attach an Ownership Disclosure Form, or the attached Ownership Disclosure Form is deemed deficient, the Division may access the Primary Form and consider it as part of the Quote. Note: The Primary Form must have a Date Created within six (6) months of the Quote submission deadline to be considered valid.

In order to make this process of certifying easier, the Division provides to the bidding community the *Ownership Disclosure Form* to be completed in order for Vendor {Bidder} to comply with the statutory requirements. As an alternative to submission of the *Ownership Disclosure Form*, as noted in Bid Solicitation § 4.4.1.2.1 above, Vendors {Bidders} using **NJSTART** to submit a Quote are required to make the appropriate certification regarding investment activities in Iran on the “Maintain Terms and Categories” Tab within its profile.

As shown below, Taylor submitted an *Ownership Disclosure Form* with its Quote, however, Taylor only submitted page one of the form which is two pages.

	STATE OF NEW JERSEY DEPARTMENT OF THE TREASURY DIVISION OF PURCHASE AND PROPERTY 33 WEST STATE STREET, P.O. BOX 230 TRENTON, NEW JERSEY 08625-0230	
	OWNERSHIP DISCLOSURE FORM	
	BID SOLICITATION #: <u>20DPP00484</u>	VENDOR (BIDDER): <u>Taylor Oil Co.</u>
	<small>ALL PARTIES ENTERING INTO A CONTRACT WITH THE STATE ARE REQUIRED TO PROVIDE THE INFORMATION REQUESTED PURSUANT TO N.J.S.A. 52:25-24.2. PLEASE NOTE THAT IF THE VENDOR/BIDDER IS A NON-PROFIT ENTITY, THIS FORM IS NOT REQUIRED.</small>	
PART 1		
Are there any individuals, partners, members, stockholders, corporations, partnerships, or limited liability companies owning a 10% or greater interest in the Vendor (Bidder)?		
YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
<small>If you answered, "YES" above, you must disclose the following: (a) the names and addresses of all stockholders in the corporation who own 10 percent or more of its stock, of any class; (b) all individual partners in the partnership who own a 10 percent or greater interest therein; or, (c) all members in the limited liability company who own a 10 percent or greater interest therein.</small>		
NAME	<u>David M. Taylor</u>	
ADDRESS 1	<u>235 Roman Hwy</u>	
ADDRESS 2		
CITY	<u>Mechanicville</u> STATE <u>NY</u> ZIP <u>12053</u>	
NAME		
ADDRESS 1		
ADDRESS 2		
CITY	STATE ZIP	
NAME		
ADDRESS 1		
ADDRESS 2		
CITY	STATE ZIP	
NAME		
ADDRESS 1		
ADDRESS 2		
CITY	STATE ZIP	
NAME		
ADDRESS 1		
ADDRESS 2		
CITY	STATE ZIP	
<small>Attach Additional Sheets if Necessary.</small>		
<small>DPP Rev. 9/24/19 Page 1 of 2</small>		

As is shown on Page 1 of the form, Taylor indicated that David M. Taylor is the only stockholder, partner, individual, or entity with a 10 percent or greater ownership interest in Taylor. No additional stockholders, partners, individuals, or entities are listed on this form. Although Page 2 of the *Ownership Disclosure Form* was not included in Taylor's Quote submission, it can be logically concluded that David M. Taylor is an individual, and that there are no entities who can own 10 percent or more of David M. Taylor, the individual. Thus, no additional information could have been submitted by Taylor on Page 2 of the *Ownership Disclosure Form* that would have provided additional information as to the underlying ownership structure of Taylor as required by N.J.S.A. 52:25-24.2.

The fact that no other stockholders, partners, individuals, or entities own Taylor, can be verified by reviewing the *Two Year Chapter 51/Executive Order 117 Vendor Certification and Disclosure of Political Contributions Form* form that was also submitted by Taylor as part of its Quote for this Bid Solicitation. As shown in the screenshot below, the only 10% or greater owner of Taylor Oil Co., Inc., the Vendor {Bidder}, is David M. Taylor, the individual. No other owners are indicated.

State of New Jersey
Department of the Treasury
Division of Purchase and Property
Two-Year Chapter 51/Executive Order 117 Vendor Certification and
Disclosure of Political Contributions

FOR STATE USE ONLY

Solicitation, RFP, or Contract No. _____ Award Amount _____
Description of Services _____
State Agency Name _____ Contact Person _____
Phone Number _____ Contact Email _____
 Check if the Contract / Agreement is Being Funded Using FHWA Funds

Please check if requesting
recertification

Part 1: Business Entity Information

Full Legal Business Name Taylor Oil Co. Inc.
(Including trade name if applicable)
Address 77 Second St.
City Somerville State NJ Zip 08876 Phone 908 735 7137
Vendor Email Carissa@Tayloroil.com Vendor FEIN (SS# if sole proprietor/natural person) _____

Check off the business type and list below the required information for the type of business selected.
MUST BE COMPLETED IN FULL

Corporation: LIST ALL OFFICERS and any 10% and greater shareholder (If the corporation only has one officer, please write Officer or Chief Financial Officer of a corporation, or any person routinely performing such functions for a corporation.)
 Professional Corporation: LIST ALL OFFICERS and ALL SHAREHOLDERS "sole officer" after the officer's name.)
 Partnership: LIST ALL PARTNERS with any equity interest
 Limited Liability Company: LIST ALL MEMBERS with any equity interest
 Sole Proprietor

Note: "Officers" means President, Vice President with senior management responsibility, Secretary, Treasurer, Chief Executive Officer or Chief Financial Officer of a corporation, or any person routinely performing such functions for a corporation.
Also Note: "N/A" will not be accepted as a valid response. Where applicable, indicate "None."

<p style="text-align: center;">All Officers of a Corporation or PC</p> <p><u>David M. Taylor</u> _____ <u>Richard W. Workman</u> _____ <u>Jack Grandette</u> _____</p> <p style="text-align: center;">All Equity partners of a Partnership</p> <p>_____ _____ _____</p>	<p style="text-align: center;">10% and greater shareholders of a corporation or all shareholders of a PC</p> <p><u>David M. Taylor</u> _____ _____ _____</p> <p style="text-align: center;">All Equity members of a LLC</p> <p>_____ _____ _____</p>
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If you need additional space for listing of Officers, Shareholders, Partners or Members, please attach separate page.

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Thus, the ownership disclosure required by the statute is complete.

In light of the findings set forth above, I overturn the Proposal Review Unit's Notice of Proposal Rejection. Taylor's Quote will be forwarded to the Bureau for evaluation along with all other Quotes submitted. This is my final agency decision on this matter.

Thank you for your company's interest in doing business with the State of New Jersey and for registering your business with **NJSTART** at www.njstart.gov, the State of New Jersey's eProcurement system.

Sincerely,

Rachel Doobrajh

Rachel Doobrajh
Acting Chief Hearing Officer

RUD: TCR

- c. S. Ghorbani
- K. Thomas
- J. Kerchner
- A. Nelson
- D. Rodriguez