

SPECIFICATIONS

SECTION I GENERAL INFORMATION

I.1 OVERVIEW

This Solicitation, #6100046236, is a supplemental bid to solicitation CN00038537 completed in June 2015 for bulk propane. This supplemental bid will cover the requirements of the Commonwealth of Pennsylvania (“Commonwealth”) for bulk propane gas to Fort Indiantown Gap, Lebanon County, and PennDOT District 12-4 stockpile locations in Washington County.

In addition to these Specifications, the following documents are incorporated as exhibits and made part of these Specifications:

- Exhibit 1 Tank Locations and Estimated Quantities
- Exhibit 2 Bulk Propane Bid Sheet
- Exhibit 3 Reciprocal Limitations Act (GSPUR-89)
- Exhibit 4 Iran-Free Procurement Certification Form

I.2 TERM OF CONTRACT

Not Withstanding the Contract Clause “Term of Contract - Contract” found in Item V.2 of the “Terms and Conditions” document, the Contract shall commence on the effective date, anticipated to be **September 1, 2018**, and expire on **June 30, 2020** unless extended.

I.3 BIDDING OVERVIEW

Bidders are required to submit their bids electronically at www.pasupplierportal.state.pa.us . If your company is not registered as a supplier with the Commonwealth of Pennsylvania, please do so by completing an online registration at this site. Please reference the Supplier Service Center for additional information and assistance with the registration process.

Bidders are to complete, and upload Exhibits 2, 3, and 4 to their bid response. Failure to attach these documents may result in the bid being deemed non-responsive.

I.4 INCURRING COSTS

The Commonwealth is not liable for any costs or expenses incurred by the Suppliers in the preparation of their bids.

I.5 BIDDING INSTRUCTIONS

Bidders are required to submit their bid prices by attaching a completed copy of Exhibit 2, the Bulk Propane Bid Sheet. Note: there are separate tabs for Commonwealth-owned and Supplier-owned tanks.

The bid price is the price differential above the monthly adjusted propane price as described in the Price Adjustment Clause (Section III). The price differential includes all transportation, delivery, handling charges, fees, overhead, profit, and any applicable taxes, etc. The differential shall remain fixed for the entire contract period.

When completing your Price differential per gallon bid, it may be up to four (4) decimal places.

I.6 METHOD OF AWARD

Award shall be made to the responsive and responsible bidder with the lowest price differential. Note: The Commonwealth reserves the right to reject all bids for any or all items as provided for in Item I.13 – Rejection of Bids of the Terms and Conditions.

I.7 ADDITIONAL LINE ITEMS

Additional line items that are reasonably construed to be within the scope of each contract may be added to the contract through mutual agreement of the contractor, the Using Agency, and the Department of General Services contract manager. Fair and accepted pricing will be comparable to similar items or the appropriate based line items.

I.8 REPORTING REQUIREMENTS

The Commonwealth requires a monthly electronic (Microsoft Excel/Access) summary report from the Contractor. The electronic format shall be jointly determined by the Contractor and the Commonwealth. As a minimum, the report shall contain the following information: Contract Number, Supplier Name, Account Number, Customer Name, Delivery Address (include Street, City, State), Delivery Date, Quantity, Unit Price, and Total Price. The report must be filed within thirty (30) days after the end of each month with the Commonwealth. In addition, the Contractor may be asked to furnish additional information to the Commonwealth regarding deliveries, payments, invoices, etc.

I.9 INQUIRIES: Direct all questions concerning this solicitation I to the appropriate buyer named herein.

Keith Worley
Bureau of Procurement
555 Walnut Street, Forum Place
Harrisburg, PA 17101-1914
(717) 346-2679
(717) 783-6241 Fax
E-mail: kworley@pa.gov

SECTION II SCOPE OF WORK

II.1 DELIVERIES

Supplier shall deliver the propane within five (5) calendar days after receipt of a purchase order or agency notification for delivery. In an emergency situation, the Supplier shall deliver propane within 24 hours after agency notification of delivery or as otherwise agreed to, by the using agency and the Supplier. Transportation terms are F.O.B. Destination for all deliveries.

At the option of each facility, a remote reading tank gauge may be installed on each tank. The supplier shall then be responsible for keeping the tanks from running out of propane and should not allow the tanks to contain less than 25% of their capacity.

The minimum delivery quantity is 200 gallons per facility. Suppliers and using agencies should cooperate in an effort to minimize costs (i.e., automatic fill, maximization of delivery quantity, etc.)

II.2 LIABILITY

The supplier shall insure that adequate safety measures are taken to protect agency buildings, grounds, and/or equipment from damages resulting from the furnishing and delivery of the propane. The supplier shall be liable for any damages from which it or its employees are responsible. The supplier shall provide constant surveillance during delivery by having a person in attendance at all times at the point of transfer

II.3 FUEL SPECIFICATIONS

The gas tanks, valves, regulators and piping shall conform to the Gas Processors Association (GPA) Standard 2140-97 entitled "Liquefied Petroleum Gas Specifications and Test Methods", the National Fire Protection Association (NFPA) Pamphlet No. 58 entitled "Liquefied Petroleum Gas Code" and the Pennsylvania Department of Labor and Industry "Liquefied Petroleum Gas Regulations" (Pennsylvania Code, Title 34, Part I, Chapter 13, Subchapter A). The latest edition of the aforementioned specifications shall apply.

II.4 TANK INSTALLATION

A new supplier shall supply and install their tanks and regulators at no expense to the Commonwealth to replace the existing tanks and regulators of the previously awarded supplier. At their option, the new supplier may make arrangements with the previous supplier concerning tank ownership.

Installation of any additional tanks, required during the duration of the contract, shall be at the expense of the Commonwealth. Installation includes tank delivery and all necessary hook-ups. Laying and trenching of the service piping/yard line (gas lines) and other construction related work shall be the sole responsibility of the Commonwealth.

Tank removal and purging of supplier owned tanks, if necessary, shall be at no expense to the Commonwealth. Any propane remaining in the tank at the time of removal is the property of the Commonwealth. Thus, the supplier removing and urging the tank shall reimburse the Commonwealth by check or credit to our account at the market based monthly propane price set forth in the contract at the time of these actions. The Commonwealth will make a concerted effort to minimize the amount of propane within the tank.

SECTION III PRICING AND INVOICING

III.1 PRICE ADJUSTMENT CLAUSE

1. The Commonwealth shall adjust prices under this Contract as established in this clause.
2. Once a month, the commodity price for propane will be adjusted to reflect current market conditions. The monthly adjusted propane price will then be added to the awarded price differential to arrive at the total price of propane per gallon for that month. A Change Notice will be issued the first of each month to formally incorporate the monthly adjusted propane price as part of contract and shall subsequently be posted to the Department of General Services website.

The basis for the monthly adjusted propane price shall be the Propane, Non-Tet, Mont Belvieu, TX, price per gallon as listed on the Wall Street Journal Market Data Center website (online.wsj.com/mdc). The price is shown by accessing “Commodities and Futures”, then “Cash Commodity Prices”. The closing price posted for the last business day of the previous month will be utilized for the following month. If the last business day of the month falls on a holiday, then the previous day’s closing price will be utilized.

3. During the contract period, the awarded supplier and the Commonwealth may mutually agree to a fixed price per gallon. The fixed price will then be added to the awarded price differential to establish the total price per gallon. The fixed price will be in effect for the remaining term of the contract.

III.2 INVOICES

Payment will be based upon the total propane price for the month that the fuel delivery is made. The total propane price is comprised of the monthly adjusted propane price plus the awarded price differential. When invoicing, no other taxes or fees shall be added to the aforementioned total fuel price. This action only delays invoice payment. Any applicable taxes or fee assessments shall be included in the price differential (See I.4, BIDDING). In addition, the total propane price, shown on the invoice, shall not be rounded to the next decimal point. This action may also delay invoice payment.

If, as a result of legislation or any regulatory body, a new tax or fee is established subsequent to bid opening then the supplier may request that the new tax or fee be added as part of the total fuel price. As a minimum, the request shall include the name, amount, effective date, and applicability, of the new tax or fee, as well as reference to the legislation or regulation that authorized it. If the Commonwealth agrees that it is subject to the new tax or fee, then a change notice will be issued to allow for payment.

III.3 PAYMENT METHOD

To facilitate prompt invoice payments, Commonwealth agencies may utilize the Purchasing Card and/or the Utility Purchasing Card.

**SECTION IV
REQUIRED DATA**

IV.1 ADDRESS OF PURCHASE ORDER

Commonwealth agencies may issue purchase orders against this Contract for supplies required by the agencies (using agencies). Please state below where the Purchase Orders should be sent (name, address, city, state, zip code).

Address: _____

Contact person: _____

Telephone Number: _____

Fax Number: _____

E-mail Address: _____

IV.2 POINT OF CONTACT – CONTRACT ADMINISTRATION

If different than the information provided in the previous provision (IV.1), please provide the following:

Contact person: _____

Telephone Number: _____

Fax Number: _____

E-mail Address: _____