

SPECIFICATIONS

**SECTION I
GENERAL INFORMATION**

I.1 OVERVIEW

This solicitation, CN00038392, will cover the requirements of the Commonwealth of Pennsylvania for wood chips at Warren State Hospital, Warren, Pennsylvania.

I.2 TERM OF CONTRACT

The Contract shall commence on the effective date, anticipated to be September 1, 2014, and expire on August 31, 2016

I.3 BIDDING

The bid price shall include all labor, material, transportation, delivery, handling charges, overhead, profit, etc.

The wood chip requirement is covered by two separate line items. One line item is for a primary supplier responsible to supply the estimated annual requirement to the facility. The other line item is for secondary supplier or back-up supplier who may be called upon, if necessary, to supply some portion of the estimated annual requirement to the facility.

I.4 INCURRING COSTS

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

I.5 AWARD

The line item for a primary supplier shall be awarded to the responsive and responsible bidder with the lowest bid price. This bidder shall not be considered for award as a secondary/back-up supplier.

The line item for the secondary/back-up supplier shall be awarded to the responsive and responsible bidder with the lowest bid price.

I.6 ORDERING

The facility shall order exclusively from the primary supplier unless justification can be provided by the facility to the Department of General Services, Bureau of Procurement, for making a purchase from the secondary/back-up supplier. Acceptable justification includes deficiencies in the quality of the product provided by the primary supplier, lack of adequate supply available from the primary supplier, or a violation by the primary supplier of the contract terms and conditions. If justification proves acceptable then the facility shall purchase their wood chips from the secondary/back-up.

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.

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

Jack Banks
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555 Walnut Street, Forum Place
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(717) 346-3820 Fax
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**SECTION II
SCOPE OF WORK**

II.1 DELIVERIES

Supplier shall deliver the wood chips within two (2) days after receipt of a Agency Purchase Order or agency notification for delivery. Deliveries shall be coordinated with each supplier. In an emergency situation, the Supplier shall deliver the desired wood product(s) 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.

Normal delivery period is 8:00AM - 4:00PM, Monday thru Friday. Delivery shall be made via a self-unloading trailer.

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 wood product. 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 PRODUCT SPECIFICATIONS

The wood chips shall comply with Section IV, Product Specification for Biomass Fuel Supply – Wood Chips.

II.4 QUARANTINE AREAS

The supplier shall comply with all State and Federal directives regarding quarantine areas for the Emerald Ash Borer, the Pine Shoot Beetle, Sirex Woodwasp, Gypsy Moth and any other invasive insects.

**SECTION III
PRICING AND INVOICING**

III.1 PRICE ADJUSTMENT

1. The Commonwealth shall adjust prices under this Contract as established in this clause.
2. A biodiesel (B2) fuel price adjustment will be made on a monthly basis on the first day of each month.. The basis for the fuel price adjustment shall be the weekly Oil Price Information Service (OPIS), PADD 1 Report, issued prior to the first day of the month. If the Report is not issued for some reason, then the last published report shall be utilized. The adjustment shall be made as follows:

Diesel Fuel/BIO

- (a) Price Source: PADD 1 Report, Biodiesel Averages in Key Cities, B2, for Pittsburgh, PA
 - (b) The price adjustment is based on what fuel price range is applicable to the biodiesel (B2) fuel price listed for Pittsburgh in the applicable PADD 1 Report for a particular month. The table below illustrates the monthly price adjustment per ton based on the fuel price ranges as well as the increments for both. The fuel price ranges on the table are not all inclusive. Prices are rounded to 2 decimal points.
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 - (c) The base fuel price range is established by the price for biodiesel (B2), Pittsburgh, derived from the PADD 1 Report, dated July 7, 2014. That price is \$3.06.
 - (d) Each month, a Change Notice will be issued to incorporate the price adjustment as part of the contract and will be posted on the Department of General Services website.
3. Currently, the Commonwealth of Pennsylvania mandates the use of biodiesel (B2) fuel for on road use. As certain production thresholds are met, the percentage of bio fuel will increase, as required by law. If the percentage of biodiesel does change during the course of this contract period, a price for the new percentage (See Subparagraph 2 (c) above) will be established by utilizing the first PADD 1 Report issued after the new mandate goes into effect. Subsequently, the new price may establish a new base fuel price range as well as the other price ranges with the same price range increment and the same price adjustment increment.

4. Monthly Fuel Adjustment Table:

MONTHLY FUEL ADJUSTMENT TABLE			
Market Diesel Fuel Price Range \$/Gallon			Diesel Fuel Price Adjustment \$/Ton
\$2.50	to	\$2.54	-\$0.55
\$2.55	to	\$2.59	-\$0.50
\$2.60	to	\$2.64	-\$0.45
\$2.65	to	\$2.69	-\$0.40
\$2.70	to	\$2.74	-\$0.35
\$2.75	to	\$2.79	-\$0.30
\$2.80	to	\$2.84	-\$0.25
\$2.85	to	\$2.89	-\$0.20
\$2.90	to	\$2.94	-\$0.15
\$2.95	to	\$2.99	-\$0.10
\$3.00	to	\$3.04	-\$0.05
\$3.05	to	\$3.09	\$0.00
\$3.10	to	\$3.14	\$0.05
\$3.15	to	\$3.19	\$0.10
\$3.20	to	\$3.24	\$0.15
\$3.25	to	\$3.29	\$0.20
\$3.30	to	\$3.34	\$0.25
\$3.35	to	\$3.39	\$0.30
\$3.40	to	\$3.44	\$0.35
\$3.45	to	\$3.49	\$0.40
\$3.50	to	\$3.54	\$0.45
\$3.55	to	\$3.59	\$0.50
\$3.60	to	\$3.64	\$0.55
\$3.65	to	\$3.69	\$0.60
\$3.70	to	\$3.74	\$0.65
\$3.75	to	\$3.79	\$0.70
\$3.80	to	\$3.84	\$0.75
\$3.85	to	\$3.89	\$0.80
\$3.90	to	\$3.94	\$0.85
\$3.95	to	\$4.00	\$0.90

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III.2 WEIGHTS

The supplier shall provide a weigh ticket with each delivery from a Pennsylvania Department of Agriculture certified weigh scale. The Weigh Master Certificate must conform to the requirements of Pennsylvania Code Title 70. The Commonwealth reserves the right to determine the weighing capability and to verify current certification of any scale used. The Commonwealth also reserves the right to have truck deliveries check-weighed on a "SPOT CHECK" basis.

NOTE: The supplier is responsible for all weigh fees.

III.3 INVOICES

Suppliers shall invoice based on the net weight.

Net Weight Calculation:

Gross Weight – Tare Weight = Net Weight

**SECTION IV
PRODUCT SPECIFICATION FOR BIOMASS FUEL SUPPLY – WOOD CHIPS**

Chips may include Clean Chips, Mill Chips, and In-Woods (Whole Tree) Chips that may vary in size and quality as listed below.

V.1 Clean Chips

1. Description: debarked, screened, and stored
2. Estimated Moisture Content: 30 to 45%
3. Estimated Average Size; 2 inch x 2 inch x 5/8 inch or smaller wood chips.
4. Predicted Ash Content: 2% average

V.2 Mill Chips

1. Description: debarked, chipped green mill residue, mixed hardwood and softwood species
2. Estimated Moisture Content: 38% moisture (wet basis) with an anticipated range between 25% and 45%
3. Estimated Average Size: 2 inch x 2 inch x 5/8 inch or smaller wood chips with an occasional piece up to 9 inches long.
4. Predicted Ash Content: 2% average

V.3 In-Woods (Whole Tree) Chips

1. Description: unscreened, field chipped, green stems with bark generally chipped from the entire tree
2. Estimated Moisture Content: 30% - 45% moisture (wet basis)
3. Estimated Average Size: 2 inch x 2 inch x 5/8 inch or smaller wood chips with an occasional piece up to 9 inches long.
4. Predicted Ash Content: 2% average