

Coal, Under 500 Tons (9110-06) Contract - Overview

Prior to utilizing a contract, the user should read the contract in it's entirety.

DESCRIPTION

► This contract covers the Commonwealth's requirements for anthracite and bituminous coal for facilities with annual usage less than 500 tons.

CONTRACT INFO

Contract Number & Title	9110-06 Coal, Under 500 tons
Number of Suppliers	4
Validty Period	7/1/2006 - 6/30/2007
DGS Point of Contact	Greg Knerr
Contact Phone #	(717) 703-2935
Email	gknerr@state.pa.us

PRICING HIGHLIGHTS

► Pricing includes two components: the price of the coal and the price for delivery

PROCESS TO PURCHASE

► To purchase coal from this contract, please follow standard procedures according to the procurement handbook. Pricing information and vendor contact information can be found in the contract posting on the procurement website at www.dgs.state.pa.us

SPECIAL CONTRACT TERMS AND CONDITIONS

CONTRACT SCOPE/OVERVIEW: This contract will cover the requirements of Commonwealth agencies for anthracite or bituminous coal/500 tons or less at the listed facility/facilities.

ORDER OF PRECEDENCE: These Special Contract Terms and Conditions supplement the Standard Contract Terms and Conditions For Statewide Contracts for Supplies. To the extent that these Special Contract Terms and Conditions conflict with the Standard Contract Terms and Conditions For Statewide Contracts for Supplies, these Special Contract Terms and Conditions shall prevail.

TERM OF CONTRACT: The Contract shall commence on the effective date, which shall be no earlier than July 1, 2005 and expire on June 30, 2006.

OPTION TO EXTEND: The Department of General Services reserves the right, upon notice to the Contractor, to extend the Contract or any part of the Contract for up to three (3) months with the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new contract.

OPTION FOR SEPARATE COMPETITIVE BIDDING PROCEDURE: The Department of General Services reserves the right to purchase supplies covered under this Contract through a separate competitive bidding procedure, whenever the department deems it to be in the best interest of the Commonwealth. The right will generally be exercised only when a specific need for a large quantity of the supply exists or the price offered is significantly lower than the Contract price.

SPECIFICATIONS: The selected contractor (s) is required to furnish coal in accordance with the attached specifications, Table 1, Anthracite Coal, and Table 2, Bituminous Coal.

INVOICES: The invoice for each shipment shall identify the operator(s) of the breaker and/or mine and the permit number(s) for the breaker and/or mine. Contractors will invoice based on the valid weigh masters certificate or the net weight of the check weigh location, whichever is less.

PRICE CHANGE:

a. If, as a result of legislation, rule-making, rate-making, or any related act of a legislative or regulatory body subsequent to bid opening, the Contractor's cost of supplying coal increases, the Contractor may request a change in price by furnishing the Director, Bureau of Purchases, with sufficient documentation showing the direct effect on the Contractor's cost. Price adjustments for the aforementioned reasons will not occur more than once a month after the opening date.

No adjustment in price is effective until approved by the Director, Bureau of Purchases. If an increase is unacceptable to the Commonwealth, the item(s) will be removed from the Contractor's contract/FPO.

b. Between the months of October through March, the Department of General Services shall review the cost of transportation on a monthly basis. An adjustment will be made when the market average changes more than 10% above the base price.

The base price for diesel fuel is calculated as follows, using the Oil Price Information Service (OPIS) PADD 1 Report:

$$\text{Base Price (cts/gal LS-No2)} = (\text{Harrisburg Avg} + \text{Philadelphia Avg} + \text{Pittsburgh Avg})/3$$

The established base price for LS-N02 diesel fuel is \$1.6780 as calculated by using the OPIS report, dated June 13, 2005. The market average of diesel fuel prices uses the same calculation and is determined on the first Thursday of each month and becomes effective on the following Tuesday. The change is calculated by comparing the monthly market average with the base price. For every \$.05 change in the diesel fuel price, the contractor's transportation portion of the total delivered price is adjusted by 1%. If the monthly figure is greater than the base, an upward price change is issued. If the monthly figure is less than the base, a downward price is issued. The transportation price shall not decrease below the original awarded price. A change notice to the contract shall be issued to incorporate the price change.

DELIVERIES.

- a. Deliveries shall be F.O.B. Using Agency location. Delivery schedules are set by each facility as instructed on their FPO.
- b. Contractors are strongly encouraged to inspect the unloading and storage facilities at the various using agency locations to determine the unloading equipment requirements. It is each contractor's responsibility to verify delivery location requirements.
- c. If it is determined that a vehicle owned or leased by the Contractor was operated on a public highway carrying a weight in excess of the registered gross or axle weight limits established in Chapter 49, of the Motor Vehicle Code, the Commonwealth is not liable for payment for the amount of material equal to the excess over the registered gross and/or axle weight limits. The Contractor may elect to deliver the excess material to the Using Agency without charge or to retain the material in the vehicle.
- d. The truck must use a waterproof cover to protect the coal.
- e. Truck driver must remain with vehicle at all times.
- f. Drain trucks of water prior to deliveries.
- g. The coal shipment shall be free of any foreign material.
- h. Two Weigh Slips must accompany each delivery (one from source and one from check weigh location). If the weigh scales are computerized, provide the facility with the computerized weigh slips.
- i. If, at the time of delivery, the facility representative finds the aforementioned delivery requirements or other contract requirements are not met, the representative may refuse the shipment.

WEIGHTS.

- a. If available, the contractor will utilize on-site scales for check weighing. For facilities not equipped with on-site scales, the contractor is responsible to check weigh deliveries at an independent scale location not to exceed a 25 mile radius from the facility. The Commonwealth reserves the right to have truck deliveries check-weighed on a "SPOT CHECK" basis.

NOTE: The contractor is responsible for all check-weigh fees.

- b. The Weigh Master Certificate must conform to the requirements of Pennsylvania Code Title 70. The Commonwealth reserves the right to determine a source's weighing

- capability. Scales must have current certificate from the Department of Agriculture showing the scale is within acceptable tolerances.
- c. Contractors, delivering coal to locations with requirements for less than 3 tons, may request an exemption from the requirement that an unaltered mine or colliery weigh master certificate accompany each load.
 - d. The Commonwealth reserves the right to supervise the weighing of each and every load of coal at the point of origin.
 - e. Water Allowance for Anthracite Coal – The weigh master certificate shall also show a water allowance, calculated using the percentages shown in Table I. The water allowance round off to the nearest 100 pounds.

TABLE I

<u>SIZE</u>	<u>WATER ALLOWANCE</u> <u>(% of net weight)</u>
Egg	0.75%
Stove	1.00%
Chestnut	1.50%
Pea 9/16 x 13/16	2.00%
Buckwheat No. 1 5/16 x 9/16	3.00%
Buckwheat No. 2 (Rice) 3/16 x 5/16	4.00%
Buckwheat No. 3 (Barley) 3/32 x 3/16	5.00%
Buckwheat No. 4	6.00%

An example of how the water allowance is computed is given below:

	Colliery Weight <u>Slip</u>	Institution Check- <u>Weight Slip</u>
Gross Weight	62,500	62,300
Tare Weight	-21,300	-21,000
Net Weight	41,200	41,300
Water Allowance (5% of Net)	-2,100(*)	
Adjusted Net Weight	39,100	

(*) The calculated water allowance of 2,060 pounds was rounded off to the nearest 100 pounds, as allowed.

NOTE: As the example shows, weights are not the same. Payment is made on the lower weight, whether it is the Colliery adjusted net weight or the Institution net weight.

CERTIFICATION. The Contractor must provide certification for each truckload. If certification is not present at time of delivery, facility shall refuse acceptance of shipment. The owner or operator shall supply one of the following at time of delivery:

- a. A fuel analysis of the Btu value, moisture, ash, and sulfur content (% by weight), conducted on a representative sample of each shipment received.

- b. Written certification from the supplier, signed by a responsible official, that certifies the aforementioned fuel characteristics for each shipment delivered to the facility.

Note: The Contractor should conduct coal sampling and analysis with sufficient frequency to assure that the coal supplied meets the Commonwealth's specifications.

OPTION TO RENEW: The contract(s) or any part of the contract(s) may be renewed for four (4) additional one (1) year terms by mutual agreement between the Commonwealth and the Contractor(s). If the contract(s) is/are renewed, the same terms and conditions shall apply and a new performance bond or a rider supplementing the original bond will be required for the extended period.

INQUIRIES: Direct all questions concerning this Contract to:

Jack Banks
Bureau of Purchases
414 North Office Building
Harrisburg, PA 17125
(717) 787-6586
E-mail: jbanks@state.pa.us

SPECIFICATIONS

Table 1 Anthracite Coal

Item No	Facility	Common Size Name	Size thru	Retained on	Oversize Max	Undersize Max	Btu/lb Min Dry basis	Sulfur Max As Determined	Ash Max Dry basis	Moisture Max	Volatiles Max dry basis
1	DGS, Buildings & Grounds 2221 Forster Street, Harrisburg	B-1	9/16	5/16	25%	15%	12,700	Btu/4,875	Btu/1000	6.0%	8%
2	DGS, Records Center, Harrisburg	B-2	5/16	3/16	25%	17%	12,700	Btu/4,875	Btu/1000	6.0%	8%
3	DGS, State Office Building, Reading	B-2	5/16	3/16	25%	17%	12,700	Btu/4,875	Btu/1000	6.0%	8%
4	DMA, PA National Guard, Fort Indiantown Gap	B-2	5/16	3/16	25%	17%	12,700	Btu/4,875	Btu/1000	6.0%	8%
5	HMC, Anthracite Museum, Scranton	B-1	9/16	5/16	25%	15%	12,700	Btu/4,875	Btu/1000	6.0%	8%
6	HMC, Museum of Anthracite Mining, Ashland	B-1	9/16	5/16	25%	15%	12,700	Btu/4,875	Btu/1000	6.0%	8%
7	HMC, Eckleys Miners' Village, Weatherly	B-1	9/16	5/16	25%	15%	12,700	Btu/4,875	Btu/1000	6.0%	8%
8	Lieutenant Governor's Mansion, Fort Indiantown Gap	B-2	5/16	3/16	25%	17%	12,700	Btu/4,875	Btu/1000	6.0%	8%

Table 2 Bituminous Coal

Item No	Facility	Common Size Name	Size Thru	Retained on	Undersize Max	Btu/lb Min dry basis	Sulfur Max As Determined	Ash max dry basis	Moisture Max	Volatiles min dry basis
9	DMA, PA National Guard, Friedens	Nut	1-1/2	3/4	20%	13,400	Btu/4,750	11.00%	5.0%	22%



All using Agencies of the Commonwealth, Political Subdivision,
 Authorities, Private Colleges and Universities

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Contract Number: 4600008902
Creation Date: 08/23/2005

Purchasing Agent:
 Name: Jack Banks
 Phone: 717-787-6586
 Fax: 717-783-6241
 E-mail: jbanks@state.pa.us
 Valid from/to: 07/01/2005 - 06/30/2006

Your vendor number with us: 117317
 Vendor Name/Address:
 F M BROWNS SONS INC
 717 LANCASTER AVE
 READING PA 19607-1634
 Vendor Fax Number: 610-375-1836

Please Deliver To:
 *** TBD AT TIME OF PURCHASE ORDER ***
 *** UNLESS SPECIFIED BELOW ***

Your Quotation: _____ Date: _____
 Collective No.: CN00015767
 Our Quotation: 6000082428

Payment Terms: NET 30

The Commonwealth of Pennsylvania, through the Department of General Services, accepts the submission of the Bidder/Contractor for the awarded item(s) at the price(s) set forth below in accordance with: 1) the RFQ submitted by the Bidder/Contractor, if any; 2) the documents attached to this Contract or incorporated by reference, if any, and 3) the contract terms and conditions stored on the website address at www.dgs.state.pa.us for this type of Contract as of the date of the RFQ, if any, or other solicitation for this Contract, all of which, as appropriate, are incorporated herein by reference. When the Bidder/Contractor receives an order from a Commonwealth agency, the order constitutes the Bidder/Contractor's authority to furnish the item(s) to the agency at the time(s) and place(s) specified in the order. RFQ, as used herein, means Request for Quotations, Invitation for Bids, Invitation to Qualify, or Request for Proposals, as appropriate.

Item	Description	Quantity	UOM	Price	Per Unit	TOTAL
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00010	Anthracite Coal Reading State Offic Bldg 144068	0	ton	138.00	ton	0.00
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Item text
 Department of General Services
 State Office Building, 625 Cherry Street, Reading PA,
 Buckwheat #2
 8:00 AM - 3:00 PM, Monday thru Friday, excluding state holidays.
 Note: Shipment not to exceed 10 ton. Bin Capacity: 10 Tons.

-----SUPPLEMENTAL INFORMATION-----

Header text
 POC: Lester Brown, (610) 375-6166

NO FURTHER INFORMATION FOR THIS CONTRACT

Currency: USD

 999,999.00
 ESTIMATED VALUE