

# Bulk Propane Contract - Overview

## DESCRIPTION

- Delivery of propane
- Serves specific facilities where the estimated usage is a minimum of 10,000 cubic feet
- Storage tanks may be customer owned or provided by the supplier.
- Delivery made within ten (10) days after receipt of a purchase order, or as designated, by the using agency.
- Minimum delivery is 100 gallons.

## CONTRACT INFO

Legacy Contract Number	9120-02 Supp #3
Suppliers	1
Validity Period	4/1/08 – 6/30/10
DGS Point of Contact	Jack Banks
Contact Phone# Email	Tel: (717) 787-6586 <a href="mailto:jbanks@state.pa.us">jbanks@state.pa.us</a>

## PRICING HIGHLIGHTS

- Pricing is fixed for the initial year of the contract.
- For successive years, a price adjustment will be made on an annual basis starting July 1<sup>st</sup>, 2009. Subsequent adjustments will be made on July 1<sup>st</sup> of each remaining year of the contract.
- The base price for the price adjustment is the “Wet-Tet Mont Belvieu, Texas” propane price published in the Wall Street Journal on 22 February 2008. This base price is 1.4651. The adjustment, either an increase or decrease to the awarded prices, will be the difference between the base price and the published price on July 1<sup>st</sup>.

## PROCESS TO PURCHASE (COSTARS)

- Not applicable to COSTARS.

## SPECIAL CONTRACT TERMS AND CONDITIONS

### SECTION I GENERAL INFORMATION

**CONTRACT SCOPE/OVERVIEW:** The Contract will cover the requirements of the Department of Transportation for bulk propane gas at the listed facility.

**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 contract award date and expire on June 30, 2010.

**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 upon the same terms and conditions. This extension 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.

**INQUIRIES:** Direct all questions concerning this bid to the appropriate buyer named herein:

Jack Banks, Buyer, CPPB  
Bureau of Procurement  
555 Walnut Street  
Forum Place, 6<sup>th</sup> Floor  
Harrisburg, PA 17101-1914  
(717) 787-6586  
E-mail: [jbanks@state.pa.us](mailto:jbanks@state.pa.us)

## SPECIAL CONTRACT TERMS AND CONDITIONS

### SECTION II SCOPE OF WORK

**SPECIFICATIONS:** The gas, tanks, cylinders, valves 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 Regulation "Liquefied Petroleum Gas" (Pennsylvania Code, Title 34, Part I, Chapter 13, Subchapter A). The latest edition of the aforementioned specifications shall apply.

Where required, a successful bidder must supply and install the storage tanks. This contractor shall supply all required piping, valves, gauges and fittings necessary to service the agencies building.

**DELIVERIES:** All propane gas ordered from this contract shall be delivered within ten (10) days after receipt of a purchase order, or as designated, by the using agency. Transportation terms are "FOB 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 and should not allow the tanks to contain less than 25% of their capacity.

**MINIMUM DELIVERY:** The minimum delivery is 100 gallons. Contractors and using agencies should cooperate in an effort to minimize costs (i.e., automatic fill, maximization of delivery quantity, etc.).

#### **TANK INSTALLATION AND MAINTENANCE:**

If tanks are required by a Commonwealth location:

- A. The supplier is responsible for tank installation and maintenance. The ownership of the tanks shall remain with the supplier.
- B. Removal, if necessary, shall be at no expense to the Commonwealth.
- C. Any gas in the tank at the time of removal is the property of the Commonwealth. Thus the removing contractor must reimburse the using agency in the form of a check or credit.
- D. A new contractor can negotiate a deal with the previous contractor concerning tank ownership.

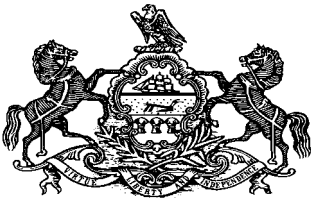
## **SPECIAL CONTRACT TERMS AND CONDITIONS**

### **SECTION III PRICING**

**PRICE ADJUSTMENT:** Awarded prices will change based upon this clause only. A price adjustment will be made on an annual basis starting July 1<sup>st</sup> 2009. Subsequent adjustments will be on July 1<sup>st</sup> of each remaining year of the contract.

The base price for this price adjustment clause is the “non wet-tet Mont Belvieu, Texas” propane price of 1.4651 as published on the Wall Street Journal website ([online.wsj.com](http://online.wsj.com)) for 22 February 2008. The propane price appears as “Cash Prices” within the “Commodities & Futures” of the Market Data Center.

The adjustment, either an increase or decrease to the awarded prices, will be the difference between the base price and the published price on July 1<sup>st</sup>. If July 1<sup>st</sup> falls on a weekend or the price information is not published on this particular date then the most recently published price prior to July 1<sup>st</sup> will be used. The price adjustment is issued via a change notice to the contract and applies to all awarded items.



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

**REPRINT** Page 1 of 2  
**Contract No. 4600013251**  
**Contract Original Approval Date: 03/19/2008**

**Purchasing Agent:**

**Name:** Jack Banks  
**Phone:** 717-787-6586  
**Fax:** 717 346-3820

Valid from/to: 04/01/2008 - 06/30/2010

**Please Deliver To:**

PENNDOT Wyoming  
1 Franklin Avenue  
TUNKHANNOCK PA 18657  
USA

**Your SAP Vendor Number With Us: 123863**

**Supplier Name/Address:**

MODERN GAS SALES INC  
PO Box 5001  
AVOCA PA 18641-0001  
USA  
Supplier Telephone No: 570-457-5311  
Supplier Fax No.: 570-457-4399

Your Quotation:                      Date:  
Collective No.:  
Our Quotation: 6000149946

**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](http://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	Material/Service Desc	Est Qty	UOM	Net Price	Per Unit	Total
10	144115 GAS,PROPANE,BULK, WITH TANK	0.00	US Gallon	204.51	100 US Gallon	0.00
	<p><b>Item Text</b></p> <p>Transportation - Wyoming County Maintenance Garage Tanks are required. The facility requires four(4)one thousand gallons tanks. The facility presently have no tanks on site.</p> <p>Delivery Address: Wyoming County Maintenance Garage 1 Franklin Avenue Tunkhannock, PA 18657</p> <p>Awarded Price: The awared price is the delivered price. All transportation, delivery, handling charges,any applicable taxes, etc., as well as the tank installation are included in the this price.</p>					

**General Requirements for all Items:**

SEE LAST PAGE FOR ESTIMATED  
TOTAL VALUE INFORMATION



**REPRINT** Page 2 of 2  
**Contract No. 4600013251**  
**Contract Original Approval Date: 03/19/2008**

**Supplier Name:**  
MODERN GAS SALES INC

Item	Material/Service Desc	Est Qty	UOM	Net Price	Per Unit	Total
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**Header Text**

POC: Edward Gorzkowski, (570)457-5311,  
e-mail: egor1075@comcast.net  
No further information for this contract.

**Estimated Total Value:**  
\$ 23,000.00  
Currency: USD