

# INVITATION TO BID

State of Ohio  
Department of Administrative Services  
General Services Division  
Office of Procurement Services

The Original Signed Bid must be submitted to the Office of Procurement Services to receive consideration for award.		BIDDER NAME	
BID NUMBER <b>RS900916</b>	OPENING DATE (1:00 p.m.) <b>September 25, 2015</b>	STREET ADDRESS <input type="checkbox"/> Check if remit address is different and list on separate sheet	
General Services Division Office of Procurement Services  4200 Surface Road Columbus, OH 43228-1395  Attn: Bid Desk		CITY STATE ZIP	
		COUNTY	MBE/EDGE CERTIFICATE NUMBER
		TELEPHONE NO. ( )	TOLL FREE NO. 1 - ( )
		CONTACT PERSON	FAX NO. ( )
REQ./INDEX NO. <b>GDC064</b>	BID NOTICE DATE <b>September 2, 2015</b>	CONTRACTOR'S E-MAIL ADDRESS	
SELECT YOUR PREFERRED METHOD OF RECEIVING PURCHASE ORDERS AND ENTER THE E-MAIL OR FAX NUMBER INFORMATION (ONLY SELECT ONE METHOD)			
<input type="checkbox"/> E-Mail <input type="checkbox"/> Fax			
In addition to the standard terms for payment, the payment terms for state agency(ies) will be 2%,10 Days, Net 30 Days unless otherwise stated in the following space. If no discount is offered, bidder should circle "Net 30 Days". ____%, ____ Days, Net 30 Days			
<p><u>PARTICIPATING AGENCY(IES):</u> ALL STATE AGENCIES, AND PROPERLY REGISTERED COUNTIES, TOWNSHIPS, MUNICIPAL CORPORATIONS, REGIONAL TRANSIT AUTHORITIES, REGIONAL AIRPORT AUTHORITIES, PORT AUTHORITIES, SCHOOL DISTRICTS CONSERVANCY DISTRICTS, TOWNSHIP PARK DISTRICTS AND PARK DISTRICTS, PURSUANT TO SECTION 125.04(B) OF THE OHIO REVISED CODE, THE COOPERATIVE PURCHASING ACT. STATE UNIVERSITIES, STATE VOCATIONAL SCHOOLS, STATE COMMUNITY COLLEGES OR OTHER INSTITUTIONS OF HIGHER EDUCATION MAY USE THESE CONTRACTS. SUCH USE HOWEVER, IS BASED UPON EACH ENTITY'S PROCUREMENT AUTHORITY.</p>			
<b>ADDENDUM FOR CHANGE</b> <b>ADDENDUM NO.: 1</b> <b>REVISION DATE: 09/04/2015</b>			
<b>THE DEPARTMENT OF ADMINISTRATIVE SERVICES, OFFICE OF PROCUREMENT SERVICES IS SOLICITING BIDS FOR:</b>			
<b>PROPANE GAS - BULK AND CYLINDER</b>			
Attached are pages 4, 7, and 9 to this Invitation to Bid. Remove the corresponding pages from the existing bid and replace with the attached.			
As indicated herein this addendum is issued to clarify contractor and subcontractor must be a Licensed Motor Fuel Dealer; Update requirements for Petroleum Activity Tax (PAT) Licensed Supplier and Ohio Administrative Code 1301:7-7 Ohio Fire Code.			

SPECIAL CONTRACT TERMS AND CONDITIONS (Cont'd.)

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 state agrees that it is subject to the new tax or fee, then a change notice will be issued to allow for payment.

PRICING FORMULA: Monthly prices for propane gas shall increase or decrease in accordance with the weekly publication of the "Oil Price Information Service". The adjustable price is listed as "U.S. Reseller Propane Prices", under the sub-heading "Mont Belvieu".

The contractor's selling price for any month will be increased/decreased using the Posting Average-Mont Belvieu stated on the Thursday of the last full week of the preceding month. This pricing procedure is to remain in effect for the duration of the contract. Selling prices shall be rounded to the nearest tenth cents (three places).

The "Oil Price Information Service" is published by the United Communications Group, Two Washingtonian Center, 9737 Washingtonian Blvd., Ste 200, Gaithersburg, MD 20878-7364. In the event the "Oil Price Information Service" ceases publication and/or a viable listing of reference prices relating to Mont Belvieu is no longer available, the parties to this contract shall mutually establish a replacement reference price index.

The State of Ohio reserves the right to make a change to another price index, whether electronically or in paper form. The contractors would receive notification of any such change.

NOTE: In accordance with this Pricing Formula Provision, the delivered price of the first propane delivery against the awarded contract shall be calculated as follows:

Bid Price: "Cost Differential" (at bid opening date) + Posting average (Mont Belvieu from O.P.I.S. publication).  
= First Month delivered Price (cylinder RENTAL charges may not be applicable when filling facility-owned cylinders)

BID PRICING: Bidder shall not include the Posting Average-Mont Belvieu on the bid page. The price on the bid (shown as "Price Differential") shall only include all profit margin, transportation charges and any other charges for delivery F.O.B. Destination.

The Office of State Purchasing will post the monthly pricing to the website ("Price Adjustment" page) to confirm the invoice prices. The Bidder Cost Differential will not be listed in the contract.

COOPERATIVE PURCHASING CONTRACT: This Contract may be relied upon by Ohio institutions of higher education and Ohio political subdivisions. Ohio political subdivisions include any county, township, municipal corporation, school district, conservancy district, township park district, park district created under Chapter 1545 of the Revised Code, regional transit authority, regional airport authority, regional water and sewer district, port authority or any other political subdivision as described in the Ohio Revised Code. To qualify to use this Contract the political subdivision must be currently enrolled in the State's Cooperative Purchasing Program. Purchases made from this Contract by a political subdivision that is not properly registered with the State's Cooperative Purchasing Program will be a violation of law and may be contrary to the political subdivision's competitive bidding requirements. If a political subdivision or institution of higher education relies upon this Contract to issue a purchase order or other ordering document, the political subdivision or institution of higher education "steps into the shoes" of the State under this Contract. The political division's or institution of higher education's order and this Contract are between the Contractor and the political subdivision or institution of higher education. The Contractor must look solely to the political subdivision or institution of higher education for performance, including payment. The Contractor agrees to hold the state of Ohio harmless with regard to political subdivisions and institution of higher education's orders and political subdivision's and institution of higher education's performance. DAS may cancel this Contract and may seek remedies if the Contractor fails to honor its obligations under an order from a political subdivision or institution of higher education.

MINIMUM ORDER, TWO HUNDRED (\$200.00) DOLLARS: The minimum dollar value of any order placed against this contract shall be not less than two hundred (\$200.00) dollars.

\* PETROLEUM ACTIVITY TAX (PAT) LICENSED SUPPLIER: Effective July 1, 2015, State law mandates that all fuels be subject to the Petroleum Activity Tax (PAT). The .65% PAT is levied on the supplier of motor fuel and measured by the supplier's calculated gross receipts from the first sale, transfer, exchange, or other disposition of motor fuel in Ohio to a point outside of the distribution system. If contractor is subject to the PAT, they must apply for a license with the Ohio Department of Taxation Tax Commissioner. (Ohio Revised Code 5736) <http://www.tax.ohio.gov/PetroleumActivityTax.aspx>

\*Indicates change.

## SPECIFICATIONS

### I. SCOPE:

These specifications cover the requirements for commercial propane, commonly referred to as liquefied petroleum gas.

### II. APPLICABLE DOCUMENTS: The following documents and latest revision thereof shall apply:

- A. Gas Processors Associations (G.P.A.) [Publication No.2140-1997](#) (or latest revision) entitled "G.P.A. 2140:1997 Liquefied Petroleum Gas Specifications And Test Methods"
- B. National Fire Protection Association (NFPA) [NFPA Pamphlet No.54](#) entitled "National Fuel Gas Code"
- C. National Fire Protection Association (NFPA) [NFPA Pamphlet No. 58](#) entitled "Liquefied Petroleum Gas Code"
- D. US Federal Regulations: Occupational Safety & Health Administration (OSHA)  
[29 CFR 1910.1200 Hazard Communication Standard](#)  
[29 CFR 1910.110 Storage and Handling of Liquefied Petroleum Gases](#)
- \*E. Code of Federal Regulations [DOT 49 CFR 172.700](#) Training. [Ohio Administrative Code 1301:7-7 Fire Code.](#)

### III. REQUIREMENTS:

- A. All propane supplied shall conform to specifications for commercial propane as defined in the Gas Processors Associations (G.P.A.) Publication No. 2140-1997(or latest revision) entitled "G.P.A. 2140:1997 Liquefied Petroleum Gas Specifications And Test Methods".
- B. All propane furnished and delivered under any resulting contract shall contain an approved non-corrosive odorant such as Ethyl-Mercaptan or Thiophene per National Fire Protection Association (NFPA) NFPA Pamphlet No. 58 (or latest revision).
- C. All applicable local, state, and federal safety codes, rules, laws, etc. for the storage, handling and transportation of L.P. Gas (propane) shall be fully applicable to any resulting contract. As a minimum requirement, National Fire Protection Association (NFPA) NFPA Pamphlet No. 54 & No. 58 (or latest revision), shall be fully applicable.
- \*D. Contractor shall obtain and maintain all required local, state and federal licenses and permits. As a minimum requirement, [OAC 1301:7-7-38 Liquefied petroleum gases](#) (or latest revision), shall be fully applicable.
- E. OSHA 29 CFR 1910.110, DOT 49 CFR 172.700 and NFPA Pamphlet No. 58 (or latest revision) all require that persons handling LP gases be specially trained in proper handling and operating procedures, which must be documented by the contractor. Only qualified persons should transport, operate, service and/or install propane systems and containers. The State reserves the right to request documentation for verification.

### IV. ADDITIONAL REQUIREMENTS:

- A. Tanks: When requested by the using agency, the contractor shall provide tanks of specified capacity at no additional cost to the State. In the event tanks are to be contractor furnished, the contractor will be responsible for setting tanks including providing all fittings and regulators. A new contractor replacing the existing tanks and regulators of the previously awarded contractor, at their option, new contractor may make arrangements with previous contractor concerning tank ownership.
- B. Installation: Installation charges, if any, for the above stated tanks shall be clearly identified in this bid. No other charges including transportation or the removal of the contractor's owned tanks, at the end of the contract period, shall be allowed.
- C. Maintenance: The contractor is responsible to properly maintain and repair the storage tanks, except State owned tanks. The State owned tanks will be maintained by state personnel. Emergency repair services shall have a four (4) hour response time following initial notification by the agency during normal working hours of 8:00 AM to 5:00 PM, Monday through Friday, excluding State holidays. All necessary repairs or corrections shall be completed within 24 hours of the initial notification by the agency to the extent possible.
- D. Liability and Damages: Unless damage is caused by the negligence of the State's personnel to the contractor's tanks, the contractor shall be fully responsible. If the State owned tanks are damaged due to the negligence of the contractor, then the tanks shall be repaired or replaced by the contractor, at no additional cost to the State. The contractor 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 contractor shall provide constant surveillance during delivery by having a person in attendance at all times at the point of transfer.

\*Indicates change.

SPECIFICATIONS (Cont'd.)

V. NOTES:

- A. Recommendations: Even though the state of Ohio will maintain the State owned tanks, the contractor should make a reasonable effort to make recommendations for the proper maintenance of State owned tanks. Official inspections are not part of this contract, but may be handled by the facility, through their direct purchasing authority.
- B. Contractor may be requested to submit a "Safety Data Sheet" or "Material Safety Data Sheet" designed to meet OSHA requirements pursuant to any hazardous effect which may be caused due to any chemical compound and/or formulation of the item being bid.
- C. "Safety Data Sheets" or "Material Safety Data Sheets" may also be requested by ordering agencies with initial shipments going to destinations as ordered after the award of the contract.
- D. If the chemical composition of the compound being bid does not contain any hazardous effect, the contractor must indicate so on the "Safety Data Sheet" or "Material Safety Data Sheet".
- E. Exhibit 2, page sixteen (16), provides a summary of the estimated usages by region. Exhibit 3 and Exhibit 4, pages seventeen (17) through twenty seven (27), provides a listing of the facilities and their estimated usage by region.
  - 1. Other locations and properly registered co-operative purchasing members may also purchase through this contract.
  - 2. The usage information provided is a yearly estimate. The actual usage may vary. The information on pages sixteen (16) and twenty three (23) through twenty seven (27) may not be accurate and/or complete.
  - 3. During the bidding and evaluation periods of this ITB, bidders should not contact any of the locations listed in Exhibit 3. All inquiries regarding this ITB need to follow the instructions listed on the front page of the ITB. Bidders attempting to contact locations listed in Exhibit 3 regarding this ITB before the contract is awarded may be disqualified.

VI. CONTRACTOR AND/OR SUBCONTRACTOR QUALIFICATIONS:

- A. Experience: The contractor and/or it's subcontractor must have twelve (12) consecutive months of experience in distribution and/or transportation of petroleum, flammable or hazmat materials and be financially viable. Requirement is the same for one or more regions. The offering company or its subcontractor must own or lease the delivery operations being proposed for the contract, be an Ohio company, employ personnel handling the functions of storage, handling, and delivery; perform all administrative and computer operations required in the daily operation of delivery operation.
- B. References Required: Each bidder and/or it's subcontractor is to submit with the bid a listing of three (3) business references with whom bidder has or is currently providing petroleum, flammable or hazmat materials delivery services, at minimum, during the last year. Please include name, address and current telephone number of each reference.
- C. Training: Each bidder and/or it's subcontractor is to submit training documentation for verification of OSHA 29 CFR 1910.110, DOT 49 CFR 172.700 and NFPA Pamphlet No. 58 (or latest revision) handling and operating procedures training for persons handling petroleum, flammable or hazmat materials.
- D. Written Narrative: Each bidder and/or it's subcontractor is to submit a written narrative or any other printed technique to demonstrate ability to satisfy the Scope of Work. The narrative shall describe a logical progression of tasks and effort starting with the initial steps or tasks to be accomplished and continuing until all proposed steps or tasks are fully described. The language of the narrative should be straightforward and limited to facts, solutions to problems, and plans of proposed action. The usage of technical language should be minimized and used only to describe a technical problem.  
In particular, the Bidder shall fully describe the approach and organization methods, which will be used to handle logistics and problems related to potential time restraints surrounding distribution. In addition, the Bidder shall describe such items as the number of employees and number of trucks available to perform delivery functions.
- \*E. Licensed Motor Fuel Dealer: The contractor and it's subcontractor must be licensed fuel dealers and must provide written documentation of such licenses, registrations and permits. ([Ohio Revised Code 5735.01](#))

\*Indicates change.