

Issue Analysis Form



Date: November 15, 2017
Item: Award of Contract – Suburban Propane
Lead Department(s): Finance
Contact Person(s): Betsy Drewry

Description and Current Status

Award of Contract – Suburban Propane at State Contract #E194-77676 pricing of \$0.2990 above weekly Apex price.

The former state contact with Amerigas expired on September 24, 2017. A new state contract award was made to Suburban Propane effective September 25, 2017 (#E194-77676) and runs through September 24, 2019 with 3 potential 1 year renewals.

Prince George County participated in the state contract with Amerigas and staff recommends continuation of propane purchases under new state contract with Suburban Propane.

See attached State Notice of Contract Award.

Resolution authorizing County Administrator to issue award of contract to Suburban is provided for board consideration.

Government Path

- | | | |
|--|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If so, before what date? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Fiscal Impact Statement

There is limited/no **added** fiscal impact to the County. The newly awarded state contract is for the same price differential (\$0.2990) that has been in effect for the last four fiscal years. [Total per gallon pricing is subject to increase with market conditions].

Yearly Expenditures for Propane for last 3 years are:
FY2017 - \$59,033.47; FY2016 - \$50,394.12; FY2015 - \$48,565.51

County Impact

The vendor change requires tank replacement at all sites. Suburban Propane has coordinated tank replacement with the Director of General Services and is committed to the least possible disruption in services. Suburban will bear all cost in tank replacement.

County participation in state contracts potentially improves/reduces prices paid with larger state-wide bargaining power.

Notes

There are 31* propane tank sites in the County.

*Utility Tank sites currently under review.



COMMONWEALTH OF VIRGINIA
DIVISION OF PURCHASES AND SUPPLY
PO Box 1199
RICHMOND, VA 23218-1199

Notice of Contract Award

CONTRACT # E194-77676

Contract Title: Propane (Liquified Petroleum Gas)

1	DATE:	September 25, 2017
2	CONTRACT PERIOD:	September 25, 2017 – September 24, 2019
3	SUPERSEDES:	Contract # E194-72717
4	AUTHORIZED USERS:	See Section 2 General Instructions
5	CONTRACTOR'S eVA VENDOR ID#:	C3462
6	CONTRACTOR	Suburban Propane LP
7	CONTRACTOR CONTACT	Colin Wood-Bradley
8	TERMS	Net 30
9	DELIVERY	See Section 4 Specifications
10	F.O.B.	Destination
11	CONTRACT PRICES	See Section 3 Rate Schedule
12	DPS CONTRACT OFFICER	Name: Danielle Keeton Phone: (804) 225-2498 Email: Danielle.Keeton@dgs.virginia.gov

ADDITIONAL COPIES OF CONTRACTS AND ANY ASSOCIATED CONTRACT CHANGES ARE AVAILABLE ON THE DPS WEBSITE: www.eva.virginia.gov under the State Contracts webpage

AUTHORIZED USERS: Commonwealth of Virginia agencies and other public bodies and entities authorized to use the Contract by the Code of Virginia § 2.2-4301 and §2.2-4304, and includes private institutions of higher education chartered in Virginia as defined in Code of Virginia §2.2-1120(d) and granted tax-exempt status under Internal Revenue Code §501(c) (3). All entities described above are collectively referred to as "Authorized Users."

NOTE: This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, §2.2-4343, or against a bidder or offeror because of race, religion, color, sex national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

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1. CONTRACTOR INFORMATION

Contractor Name	eVA Vendor ID#	Location Address	Contact Information (Name, Phone, Fax and Email)
Suburban Propane LP	C3462	12801 Old Stage Road Chester, VA 23836	Colin Wood-Bradley Phone: (804) 748-5886 Fax: (804) 748-8267 Email: cwood-bradley@suburbanpropane.com

2. GENERAL INSTRUCTIONS

1. Notice to All State Agencies:

This contract is the result of a competitive bid program and is mandatory for all State Agencies. If the commodity or services available under this Contract cannot be used by an Authorized User, a completed Procurement Exemption Request e-form (APSPM 13-D) must be submitted in eVA to purchase other goods or services of a similar nature to the Division of Purchases and Supply (DPS) for approval with complete and factual written justification necessary to support the request. Refer to Section 13.7.a of the Agency Procurement and Surplus Property Manual for information and submission instructions.

2. Orders:

- A. Unless otherwise instructed by the Division of Purchases and Supply, all departments, institutions and agencies of the Commonwealth of Virginia will order items/services through eVA.
 - B. If this contract is authorized for use by localities, Virginia cities counties, towns, and political subdivisions, orders will be placed through eVA to the maximum extent possible.
 - C. An eVA purchase orders should be issued prior to contractors performing any work. However, should the agency find it necessary to issue any eVA confirming orders, the confirming orders must be placed within eVA five (5) business days after directing the contractor to proceed.
 - D. Exception to the use of a mandatory source or contract must be approved in advance, in writing, by an official of the mandatory source, the contract officer in the case of a DGS/DPS contract, utilizing the Procurement Exception Request form.
3. Inspection on delivery and approval of vendor's invoice is the responsibility of receiving state agency, Virginia city, county, town or political subdivision.
4. Any complaint resulting from a violation or breach of the Contract provisions shall be reported on an official DPS "PROCUREMENT COMPLAINT FORM" (Form #DGS-41-024). This form must be downloaded from www.cva.virginia.gov by clicking on the "I Buy for Virginia" tab and on "Procurement Complaint Form". The Procurement Complaint Form is the official method of submitting complaints from the Authorized User and the Contractor. A copy shall be sent to DPS at the address shown on the form. Disputes will be resolved in accordance with the provisions of the Contract and any Contract modifications.
5. Renewals: This contract has three (3) one-year renewal periods. The contract will be resolicited by the Commonwealth at a reasonable time (approximately 120 days) prior to the expiration date.
6. Price Adjustments: See Price Escalation/De-escalation clause.

3. RATE SCHEDULE

Virginia City/Town/County	Contractor	Price
Albemarle County	Suburban Propane LP	0.2990
Bath County	Suburban Propane LP	0.2990
Charles City County	Suburban Propane LP	0.2990
Charlottesville City	Suburban Propane LP	0.2990
Dinwiddie County	Suburban Propane LP	0.2990
Henrico County	Suburban Propane LP	0.2990
Highland County	Suburban Propane LP	0.2990
Lynchburg City	Suburban Propane LP	0.2990
New Kent County	Suburban Propane LP	0.2990
Prince George County	Suburban Propane LP	0.2990

4. SPECIFICATIONS

A. General & Technical Specifications:

a. It shall be the responsibility of the Contractor to maintain sufficient propane for satisfactory uninterrupted operation at each location. Contractor shall deliver propane on a degree-day basis (unit used to determine the heating requirements of buildings) when the tank level reaches approximately one-fourth (1/4) capacity unless otherwise directed by the Authorized User.

b. All propane supplied under any resulting contract shall conform to specifications for "commercial propane" as defined in the Gas Processors Associations (G.P.A.) Publication No/ 2140-75 (or latest revision) entitled G.P.A. LIQUIFIED PETROLEUM GAS SPECIFICATIONS AND TEST METHODS as issued by the Gas Processors Association, 1812 First Place, Tulsa Oklahoma 74103. All propane gas furnished under any resulting contract shall have an approximate B.T.U. content of 2500 B.T.U. per cubic foot, 91,600 B.T.U. per gall, 21600 B.T.U. per pound. The following conversion factors will be used, if necessary:

- 4.23 Pounds per liquid gallon-Railroad freight rate is based on 4.7 lbs. per gallon @ 60 F.
- 8,547 cubic feet of vapor per pound @ 60 F.
- 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) Pamphlet No. 58, or latest edition.

c. All Contractor-supplied meters used to measure quantity of gas consumed shall be first grade, accurate instruments. In the event the Authorized User is not satisfied with the operation of any meter, the Contractor shall replace the meter with an instrument which is approved by the Authorized User.

d. In the event of emergency, each Contractor shall have available services to supply needs of the Authorized User, and be in a position to deliver whenever required. The Contractor shall provide the Authorized User with an emergency telephone number for calling nights, holidays and Sundays.

e. Application Safety Code and Law: All applicable local, state, and federal safety codes, rules, law, etc. for the storage handling and transportation of L.P. Gas (propane) shall be fully applicable to any resulting contract. As a minimum requirement, NFPA Pamphlet N. 58, latest revision shall be fully applicable.

B. Maintenance and Repairs:

a. On-site maintenance services shall carry a four (4) hour response time following initial notification by the Authorized User and be available during the normal working hours of 8 A.M. to 5 P.M., Monday through Friday, excluding state holidays. All necessary repairs or corrections shall be completed within twenty-four (24) hours of the initial notification by the Authorized User to the extent possible.

b. In the event of inclement weather, the Contractor has a two (2) hour response time following initial notification by the Authorized User. All necessary repairs or corrections shall be completed within forty-eight (48) hours after the weather event has ended during the normal working hours of 8 A.M. to 5 P.M., Monday through Friday, excluding state holidays.

C. Metered Tank Truck Delivery and Invoices:

a. Where Contractor supplied meters are used, the Contractor shall read or have read the meters on a monthly basis in the presence of an official of the Authorized User and bill the Authorized User on a monthly basis for the gas at each location. Each bill shall indicate, in addition to the agency name and address, the present and previous meter readings with dates, the quantity used, the price and the extension as well as information herein.

b. For those Contractors that use metered tank truck delivery instead of stationary meters, Contractor shall leave a signed delivery ticket with a responsible agency representative, showing the exact number, to the tenths of a gallon, of propane delivered. All meters on tank trucks shall be accurate instruments and shall be certified and calibrated in accordance with local and state law. All invoices rendered against metered tank truck delivery shall show the following minimum information:

- Authorized User name and location
- Date of delivery
- Number of gallons delivered
- Contract unit price in price per gallon
- Total (extended) amount

D. Tanks and Equipment:

a. Service to the Authorized Users shall not be interrupted more than two (2) hours during the transfer or replacement.

b. All connection piping (except connectors), etc. for directly connecting the tanks, meters and regulating equipment will be supplied by the Authorized User.

c. The successful Contractor, if other than the present Contractor, shall make all arrangements for transfer or replacement of Contractor owned storage tanks and equipment where applicable at no cost to the Commonwealth.

d. The Contractor shall be responsible for any and all supporting equipment (tanks, gauges, valves etc.). Tanks provided shall be between 100 – 1000 gallons for truck delivery only at no cost to the participating accounts.

e. The Contractor shall be responsible for hazardous material labeling on tanks according to OSHA and NFPA requirements and supply Material Safety Data Sheets at no cost to the Authorized User. See Special Term and Condition #10 and #11.

E. Weekly Reports:

Weekly reports shall be sent to each location with the following information:

- Delivery location
- Gallons delivered to location
- Posted Apex, North Carolina pricing
- Differential; and Total (extended) amount

F. Delivery & Minimum Order:

- a. It is our desire that delivery will begin in October 2017 or sooner, and continue as ordered throughout the contract period. The Contractor shall service all tanks on an automatic basis, unless otherwise directed by the Authorized User.
- b. The transition to set up new accounts may take no longer than 30-60 days. The incumbent shall not change prices during the transition period.
- c. Any Authorized User whose annual usage of Propane does not exceed \$2,000.00 annually may opt out of using this Contract. Any Authorized User using less than \$2,000.00 annually is encourage to use the Commonwealth's Small Purchase Charge Card to pay for the Propane.

G. Number of Locations:

- a. The number of locations at each agency served and the quantity of gas may be increased or decreased as the needs of the Commonwealth dictate.
- b. The Contractor shall contact each agency to familiarize themselves with the exact services required. Failure to properly inspect job site(s) will not be considered as valid reason for failure to comply with the terms and conditions of the contract.

5. GENERAL TERMS AND CONDITIONS

- A. **VENDORS MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.eva.virginia.gov under "Vendors Manual" on the vendors tab.
- B. **APPLICABLE LAWS AND COURTS:** This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **ANTI-DISCRIMINATION:** The Contractor certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the *Virginia Public*

Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender, or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia, § 2.2-4343.1E*).

In every contract over \$10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the contractor agrees as follows:

- a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, gender identity, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

2. The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

- D. **ETHICS IN PUBLIC CONTRACTING**: The Contractor certifies that their contract has been entered into without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Contractor, supplier, manufacturer or subcontractor in connection with their bid, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
- E. **IMMIGRATION REFORM AND CONTROL ACT OF 1986**: By entering into a written contract with the Commonwealth of Virginia, the Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- F. **DEBARMENT STATUS**: By participating in this procurement, the vendor certifies that they are not currently debarred by the Commonwealth of Virginia from submitting a response for the type of goods and/or services covered by this solicitation. Vendor further certifies that they are not debarred from filling any order or accepting any resulting order, or that they are an agent of any person or entity that is currently debarred by the Commonwealth of Virginia.

G. **ANTITRUST**: By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

H. Deleted.

I. Deleted.

J. **PAYMENT**:

1. **To Prime Contractor**:

- a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
- b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed.
- d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia, § 2.2-4363*).

2. **To Subcontractors**:

- a. A contractor awarded a contract under this solicitation is hereby obligated:

(1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or

(2) To notify the agency and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.

b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

3. Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

4. The Commonwealth of Virginia encourages contractors and subcontractors to accept electronic and credit card payments.

K. Deleted.

L. **QUALIFICATIONS OF CONTRACTOR:** The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Contractor to perform the services/furnish the goods. The Commonwealth reserves the right to inspect, without advance notice, Contractor's physical facilities at any time during the initial term and any subsequent renewal periods, to satisfy questions regarding the Contractor's capabilities.

M. **TESTING AND INSPECTION:** The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

N. **ASSIGNMENT OF CONTRACT:** A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.

O. **CHANGES TO THE CONTRACT:** Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the terms, conditions, or scope of the contract. Any additional goods or services to be provided shall be of a sort that is ancillary to the contract goods or services, or within the same broad product or service categories as were included in the contract award. Any increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.

2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt, unless the contractor intends to claim an adjustment to compensation, schedule, or other contractual impact that would be caused by complying with such notice, in which case the contractor shall, in writing, promptly notify the Purchasing Agency of the adjustment to be sought, and before proceeding to comply with the notice, shall await the Purchasing Agency's written decision affirming, modifying, or revoking the prior written notice. If the Purchasing Agency decides to issue a notice that requires an adjustment to compensation, the contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
- a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.
- P. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.
- Q. **TAXES:** Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

R. Deleted.

S. Deleted.

T. **INSURANCE:** The Contractor certifies it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Contractor further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGE'S AND LIMITS REQUIRED FOR MOST CONTRACTS:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employer's Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

U. Deleted.

V. **DRUG-FREE WORKPLACE:** During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

W. **NONDISCRIMINATION OF CONTRACTORS:** A Contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the Contractor employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-

offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

- X. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION, CONTRACTS, AND ORDERS:** The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution by completing the free eVA Vendor Registration. All Contractors must register in eVA and pay the Vendor Transaction Fees specified below; failure to be registered may result in the Commonwealth terminating the contract.

Vendor transaction fees are determined by the date the original purchase order is issued and the current fees are as follows:

a. For orders issued July 1, 2014, and after, the Vendor Transaction Fee is:

- (i) DSBSD-certified Small Businesses: 1%, capped at \$500 per order.
- (ii) Businesses that are not DSBSD-certified Small Businesses: 1%, capped at \$1,500 per order.

b. Refer to Special Term and Condition "eVA Orders and Contracts" to identify the number of purchase orders that will be issued as a result of this solicitation/contract with the eVA transaction fee specified above assessed for each order.

For orders issued prior to July 1, 2014, the vendor transaction fees can be found at www.eVA.virginia.gov.

The specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, typically within 60 days of the order issue date. Any adjustments (increases/decreases) will be handled through purchase order changes

- Y. **AVAILABILITY OF FUNDS:** It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

Z. Deleted.

AA. Deleted.

BB. Deleted.

- CC. **AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH:** A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law. Any business

entity described above that enters into a contract with a public body pursuant to the *Virginia Public Procurement Act* shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.

6. SPECIAL TERMS AND CONDITIONS

1. Deleted.
2. **AUDIT**: The contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
3. **ADDITIONAL USERS**: This procurement is being conducted on behalf of state agencies, institutions and other public bodies who may be added or deleted at anytime during the period of the contract. The addition or deletion of authorized users not specifically named in the solicitation shall be made only by written contract modification issued by this agency or institution and upon mutual agreement of the Contractor. Such modification shall name the specific agency added or deleted and the effective date. The Contractor shall not honor an order citing the resulting contract unless the ordering entity has been added by written contract modification.
4. **CANCELLATION OF CONTRACT**: The purchasing agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
5. Deleted.
6. Deleted.
7. **eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS**: The solicitation/contract will result in (multiple) purchase order(s) with the applicable eVA transaction fee assessed for each order.
 - a. Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following: If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eVA.virginia.gov. Contractors should email Catalog or Index Page information to

8. **INDEMNIFICATION**: Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor/any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the Contractor on the materials, goods or equipment delivered.
9. **INSTALLATION**: All items must be assembled and set in place, ready for use. All crating and other debris must be removed from the premises.
10. **LABELING OF HAZARDOUS SUBSTANCES**: If the items or products requested by this solicitation are "Hazardous Substances" as defined by § 1261 of Title 15 of the United States Code (U.S.C.) or "Pesticides" as defined in § 136 of Title 7 of the United States Code, then the Contractor certifies and warrants that the items or products to be delivered under this contract shall be properly labeled as required by the foregoing sections and that by delivering the items or products the contractor does not violate any of the prohibitions of Title 15 U.S.C. § 1263 or Title 7 U.S.C. § 136.
11. **MATERIAL SAFETY DATA SHEETS**: Material Safety Data Sheets and descriptive literature shall be provided by the Contractor for each chemical and/or compound offered.
12. **TERMINATION FOR CONVENIENCE**: The Commonwealth may terminate this Contract in whole or in part for convenience at any time by submitting to the Contractor a writing, sixty (60) days prior to the date of Termination. The Commonwealth shall be obligated for all outstanding Orders, according to the Contract, subsequent to this Termination. The Commonwealth shall not be obligated for any other costs in the event of Termination for convenience.
13. **MAINTENANCE MANUALS**: The Contractor shall provide with each piece of equipment an operations and maintenance manual with wiring diagrams, parts list, and a copy of all warranties.
14. Deleted.
15. Deleted.
16. Deleted.
17. Deleted.
18. **QUANTITIES**: Quantities set forth in this solicitation are estimates only, no quantity or dollar volume of business shall be guaranteed. The Contractor shall supply at bid prices actual quantities as ordered, regardless of whether such total quantities are more or less than those shown.
19. Deleted.
20. Deleted.

21. **RENEWAL OF CONTRACT:** This contract may be renewed by the Commonwealth for three (3) successive one year periods under the terms and conditions of the original contract except as stated in 1. and 2. below. Price increases shall be made on the propane differential and may be negotiated only at the time of renewal. Written notice of the Commonwealth's intention to renew shall be given approximately 90 days prior to the expiration date of each contract period.
- a. 1. If the Commonwealth elects to exercise the option to renew the contract for an additional one-year period, the contract price(s) for the additional one year shall not exceed the contract price(s) of the original contract increased/decreased by more than the percentage increase/decrease of the All Items category of the CPI-U section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available.
22. If during any subsequent renewal periods, the Commonwealth elects to exercise the option to renew the contract, the contract price(s) for the subsequent renewal period shall not exceed the contract price(s) of the previous renewal period increased/decreased by more than the percentage increase/decrease of the All Items category of the CPI-U section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available.
23. Deleted.
24. **SUBCONTRACTS:** In the event that the Contractor desires to subcontract some part of its obligation hereunder, the Contractor shall furnish the Commonwealth with the names, qualifications and experience of their proposed Subcontractors. No portion of the contract shall be subcontracted without prior written consent of the Commonwealth. The Contractor shall remain fully liable and responsible for its Subcontractor(s) and shall assure compliance with all requirements of the contract. The Contractor must include all planned subcontractors.
25. **WARRANTY (COMMERCIAL):** The Contractor agrees that the supplies or services furnished under any award resulting from this solicitation shall be covered by the most favorable commercial warranties the manufacturer and Contractor gives any customer for such supplies or services and that the rights and remedies provided therein are in addition to and do not limit those available to the Commonwealth by any other clause of this solicitation. Copies of these warranties shall be furnished. Specifications that state a warranty greater than the most favorable commercial warranty will convey.
26. **PRICE ESCALATION/DE-ESCALATION:** Price adjustments may be permitted for changes in the Contractor's cost of materials not to exceed the increase in the following CPI index/indices: All Items. No price increases will be authorized for 180 calendar days after the effective date of the contract. Price escalation may be permitted only at the end of this period and each 180 days thereafter and only where verified to the satisfaction of the purchasing office. However, "across the board" price decreases are subject to implementation at any time and shall be immediately conveyed to the Commonwealth. Contractor shall give not less than 30 day advance notice of any price increase to the purchasing office. Any approved price changes will be effective only at the beginning of the calendar month following the end of the full 30 day notification period. The Contractor shall document the amount and proposed effective date of any general change in the price of materials. Documentation shall be supplied with the Contractor's request for increase which will: (1) verify that the requested price increase is general in scope and not applicable just to the Commonwealth of Virginia; and (2) verify the amount or percentage of increase which is being passed on to the Contractor by the Contractor's suppliers.

- a. The purchasing office will notify the using agencies and Contractor in writing of the effective date of any increase which it approves. However, the Contractor shall fill all purchase orders received prior to the effective date of the price adjustment at the old contract prices. The Contractor is further advised that decreases which affect the cost of materials are required to be communicated immediately to the purchasing office.
27. Deleted.
28. Deleted.
29. **PREVENTIVE MAINTENANCE:** The Contractor shall provide necessary preventive maintenance, required testing and inspection, calibration and/or other work necessary to maintain the equipment in complete operational condition during the warranty period.
30. **FINANCIAL WARRANTY:** Contractor shall ensure that differential prices, discounts, incentives, and other financial terms (collectively, the “financial deal”) applicable to purchases under this contract is always at least as favorable to the purchaser as the financial deal that the Contractor or its affiliates make available to any public body in Virginia for the same good(s)/service(s) outside this contract. Throughout the term of this contract, if Contractor (or any affiliate) makes a better financial deal available to a public body in Virginia for any good(s)/service(s) available under this contract, Contractor shall immediately notify DGS of the details and, at DGS’s option, sign an amendment to this contract, so that an equivalent financial deal for the affected good(s)/service(s) is also available as an option under this contract. Contractor may request exemption if the better financial deal was for a spot purchase, and DGS shall grant such request if DGS in good faith finds that the spot purchase involved special circumstances affecting cost that would make it unfair to apply an equivalent financial deal outside of that spot purchase. Upon DGS’s request (and annually on August 1), Contractor shall submit to DGS an affidavit certifying full compliance with this Section. The Contractor (and any affiliate) shall waive any contractual or other right that inhibits any public body in Virginia from disclosing to DGS or others the financial terms made available to the public body, and upon request from DGS, Contractor shall ensure that a signed confirmation of the waiver is provided to the public body and DGS. As used in this Section, an affiliate is any entity that controls, is controlled by, or is under common control with, the Contractor.
31. Deleted.
32. Deleted.

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 15th day of November, 2017:

<u>Present:</u>	<u>Vote:</u>
William A. Robertson, Jr., Chairman	
Donald R. Hunter, Vice-Chairman	
Alan R. Carmichael	
Hugh G. Mumford	
T. J. Webb	

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On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION; AWARD OF CONTRACT SUBURBAN PROPANE THROUGH STATE CONTRACT #E194-77676 FOR PURCHASE OF PROPANE

WHEREAS, On September 25, 2017 the Commonwealth of Virginia awarded the statewide propane contract (#E194-77676) to Suburban Propane for a price differential of \$0.2990 above weekly Apex pricing and for the period of September 25, 2017 through September 24, 2019 with 3 possible annual renewals; and

WHEREAS, the County of Prince George wishes to participate in state contract #E194-77676 for propane purchases; and

WHEREAS, Staff is requesting authorization for the County Administrator to issue an Award of Contract to Suburban Propane in accordance with State Contract #E194-77676 effective September 25, 2017 through September 24, 2019 with three possible one year renewals.

NOW, THEREFORE, BE IT RESOLVED That the Board of the Supervisors of the County of Prince George this 15th day of November, 2017, hereby authorizes the County Administrator to issue a Notice of Award to Suburban Propane effective September 25, 2017 through September 24, 2019 with three possible one year renewals in accordance with State Contract #E194-77676.

A Copy Teste:

Percy C. Ashcraft
County Administrator