



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

January 31, 2019

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER
FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: Pamela Barr
State Contract Procurement Officer
302-857-4570

SUBJECT: **AWARD NOTICE, Effective February 1, 2019**
CONTRACT NO. GSS19009-MOTOR_OIL
MOTOR OIL, RE-REFINED MOTOR OIL, LUBRICANTS, AND ANTIFREEZE

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GOVERNMENT SUPPORT SERVICES – CONTRACTING
100 ENTERPRISE PLACE – SUITE 4 – DOVER, DE 19904-8202
PHONE: (302) 857-4550 – FAX: (302) 739-3779 – GSS.OMB.DELAWARE.GOV

KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT

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REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

2. CONTRACT PERIOD

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Each contractor's contract shall be valid for a two (2) year period February 1, 2019 to January 31, 2021. Each contract may be renewed for three (3) one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

The State reserves the right to extend this contract on a month-to-month basis for a period of up to three (3) months after the term of the full contract has been completed.

3. VENDORS

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PPC Lubricants FSF # 0000019626 305 Micro Drive Jonestown, PA 17038 Mindy Rivera Phone # : 866-670-5823 ext 1127 Fax # : 866-780-5823 mriviera@ppclubricants.com	Safety-Kleen Systems, Inc. FSF # 0000023031 2600 North Central Expressway, Suite 400 Richardson, TX 75080 Sean Benson Phone # : 972-265-2456 Fax # : 972-265-2947 sean.benson@safety-kleen.com
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4. DELIVERY AND PICKUP

Delivery of the contract commodities listed shall be coordinated between the ordering agency and the selected vendor. Refer to pricing spreadsheet for vendor delivery times.

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5. SHIPPING TERMS

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F.O.B. destination; freight pre-paid.

6. PRICING

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Current pricing can be found in Pricing Spreadsheet associated with this contract award.

Agencies are encouraged to review all of the vendor pricing prior to ordering products, and select the most appropriate vendor for product and the anticipated delivery time.

7. COMMODITY PRICE CHANGES

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Price adjustments will be calculated as follows: Quoted prices may be adjusted on a quarterly basis for the contract term (February 1st, May 1st, August 1st, and November 1st) based on the change in value of the U.S. Department of Labor; Bureau of Labor Statistics; Producer Price Index (series id: PCU324191324191) for Petroleum lubricating oil & grease mfg.

The change in this index may be used to increase or decrease prices for the products group specified in the Appendix A. The price adjustment method will be to review the PPI index specified and look for the most recent three month non-preliminary index available on the first day of the month immediately preceding the quarterly adjustment date. The change in the index rate will determine the change in prices for the contract quarterly period.

The website for the Producer Price Index (PPI) is: <http://www.bls.gov/data/>

The vendor must submit a written request for price increases during the time frame as outlined below for their effectiveness date to Government Support Services, Attn: Pam Barr, State Contract Procurement Officer.

For price changes effective February 1st through April 30th, requests must be submitted between January 1st and January 15th.

For price changes effective May 1st through July 31st, requests must be submitted between April 1st and April 15th.

For price changes effective August 1st through October 31st, requests must be submitted between July 1st and July 15th.

For price changes effective November 1st through January 31st, requests must be submitted with extension acceptance.

Requests for price increases must be accompanied by documentation, regardless of the vendors overall increase, price increases will not exceed the PPI stated above. NO price increases will be billed to the State facilities without prior written approval by Government Support Services. Price increases become effective with all orders placed on or after the effective date.

The State of Delaware reserves the right to request decreases in pricing not to exceed the decrease in PPI. If the State of Delaware chooses to take advantage of any price decreases, the decrease will adhere to the same schedule as stated above.

The PPI price adjustments will be for commodities listed. There will be no PPI price adjustment for drums or equipment deposit, rental or 'other' services that may be provided under this contract.

ADDITIONAL TERMS AND CONDITIONS

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8. BILLING

The successful vendor is required to **"Bill as Shipped" to the respective ordering agency(s).** Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

9. PAYMENT

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

10. PRODUCT SUBSTITUTION

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

11. ORDERING PROCEDURE

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

12. PURCHASE ORDERS

Agencies that are part of the First State Financial (FSF) system are required to identify the contract number <GSS19009-MOTOR_OIL> on all Purchase Orders (P.O.) and shall complete the same when entering P.O. information in the state's financial reporting system.

13. REQUIREMENTS

For a complete list of contract specifications please refer to the original bid solicitation document(s). Any contract specific documentation will be accessible through the hyperlink(s) provided on this contract's details page.

14. HOLD HARMLESS

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

15. NON-PERFORMANCE

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

16. FORCE MAJEURE

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

17. AGENCY'S RESPONSIBILITIES

The Agency shall:

- a) Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b) Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.
- c) When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d) The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e) If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.

17. TESTING AND INSPECTION

The State of Delaware reserves the right to conduct any test or inspection it may deem necessary to insure equipment, materials and services conform to contract requirements.

18. DRUM DEPOSIT AND CREDIT

The awarded vendor shall pick-up all empty drums as they become available, and have been notified. This includes any drums left over from the previous contract vendor(s). Agencies are to inform the vendor(s) of the quantity empty drums that shall be picked up. Unless other arrangements are made with the requesting agency, all drums requested for pick-up shall occur with five (5) business days.

Any deposits levied on returnable drums shall be shown as a separate charge on each invoice. All drum deposits shall be credited to the ordering agency at the full value upon pickup of the empty drums. All returned drums shall remain the property of the successful vendor.

19. SPILLAGE

All spillages must be corrected on an immediate basis to the satisfaction of the ordering agency. All associated cost including materials and labor shall be borne by the vendor. Damage resulting from a spillage shall be the responsibility of the vendor. The vendor shall immediately notify the below listed office of all spillages:

Division of Air and Waste Management
24 hour Hotline
In State Phone No.: 800-662-8802
In/Out of State Phone No.: (302) 739-5072