



**State of Oklahoma
Department of Central Services
Central Purchasing**

**Notice of Statewide Contract
Award**

Official signed contract documents are on file with DCS-Central Purchasing.

Contract Title: FUEL MAINTENANCE AND MANAGEMENT FOR BULK TANK TREATMENT

Statewide Contract #: SW039

Contract Issuance Date: AUGUST 1, 2012

Total Number of Vendors: 1 (For details see: Vendor Information Sheet)

Contract Period: AUGUST 1, 2012 THROUGH JULY 31, 2013

Agreement Period: AUGUST 1, 2012 THROUGH JULY 31, 2017

Authorized Users: PERMITS USAGE BY OTHER THAN STATE AGENCIES

Contract Priority: MANDATORY

Type of Contract: FIRM FIXED PRICE CONTRACT FOR INDEFINITE DELIVERY AND INDEFINITE
QUANTITY FOR THE SUPPLIES/SERVICES SPECIFIED

DCS-CP Contact: THERESA JOHNSON

Phone: 1 - 405 - 521 - 2289

Title: CONTRACTING OFFICER

Fax: 1 - 405 - 522 - 1077

Email: theresa.johnson@osf.ok.gov

SPECIAL PROVISIONS

Contract Period.

The contract is for a 12 month period, commencing August 1, 2012 and ending July 31, 2013. The contract may be renewed for up to 4 one year option periods.

Required Delivery.

Delivery shall be made within 15 calendar days after receipt of order by the successful supplier. Proposal s that specify a later delivery lead time will be considered non responsive and rejected.

Type of Contract.

This is a firm fixed price contract for indefinite delivery and indefinite quantity for the supplies/services specified.

Contract Preference

This contract is mandatory.

Authorized Users.

All State Departments, Boards, Commissions, Agencies and Institutions. Counties, School Districts and Municipalities may avail themselves of the contract.

Oral Agreements.

No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the RFP or the resultant contract. All modifications to the contract must be made in writing by the Central Purchasing Division.

Notice of Award.

Notice of award letter resulting from this RFP will be furnished to each successful supplier and shall result in a binding contract without further action by either party. It shall be the successful supplier's responsibility to reproduce and distribute copies to all authorized dealers listed in your proposal response. No additions, deletions or changes of any kind shall be made to this contract without prior approval of Central Purchasing.

Extension of Contract.

The State may extend the term of this contract up to 90 days intervals if mutually agreed upon by both parties in writing.

Ordering

Any supplies and/or services to be furnished under this contract may be ordered by issuance of written purchase orders by state agencies and authorized entities. There is no limit on the number that may be issued. Delivery to multiple destinations may be required. All orders are subject to the terms and conditions of this contract. Any order dated prior to expiration of this contract shall be performed. In the event of conflict between a purchase order and this contract, the contract shall have precedence.

State and Federal Taxes.

Purchases by the State are not subject to any sales tax or Federal excise tax. Exemption certificates will be furnished upon request.

Contractor Invoices.

The supplier shall be paid upon submission of proper certified invoices to the ordering agency at the price stipulated on the contract. Invoices shall contain the contract number and purchase order number. Failure to follow these instructions may result in delay of processing invoices for payment. The Company or Corporation submitting a proposal shall be the only office authorized to receive orders, invoice and receive payment. If the suppliers wish to ship or

provide service from a point other than the address listed on the face of the proposal, he will furnish a list of these locations. No ordering or invoicing will be done at these locations.

Invoicing shall be made in accordance with instructions by agency or division issuing the purchase order.

If you are paid more than 45 days after submitting a proper invoice, you may be entitled to claim an interest penalty. Contact the Office of State Finance for a copy of the regulations.

In cases of partial delivery the state agency may make partial payment, dependent on the dollar value, or hold all invoices for final delivery to be completed.

Warranty.

The Successful supplier agrees the products furnished under this contract shall be covered by the most favorable commercial warranties the contractor gives to any customer for such products; and rights and remedies provided herein are in addition to and do not limit any rights afforded to the State of Oklahoma by any other clause of this contract.

B.1. Contract Usage Reporting Requirements.

Reports shall provide the total dollar amounts sold to all political entities that include but are not limited to State Agencies, Counties, Cities, Schools, hospitals and Municipalities.

Reports shall be submitted quarterly regardless of quantity.

Usage Reports shall be delivered to Central Purchasing, Room B-12 State Capitol Building, Oklahoma City, OK within 30 calendar days upon completion of performance quarter period cited in paragraph "d" of this contract provision.

Contract quarterly reporting periods shall be:

January 1 through March 31

April 1 through June 30

July 1 through September 30

October 1 through December 31

Failure to provide usage reports shall result in cancellation or suspension of contract.

Patents and Royalties.

The supplier, without exception, shall indemnify and save harmless the State of Oklahoma and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unpatented invention, process, or article manufactured or used in the performance of the contract including its use by the State of Oklahoma. If the supplier uses any design, device or materials covered by letters, patent copyright, it is mutually agreed and understood without exception that the proposal prices shall include all royalties or cost arising from the use of such design, device, or materials in any way involved in the work.

Contract Management Fee

As empowered by State Statue §85.33 A & B, the Department of Central Services imposes, and Suppliers agree to pay a contract management fee in the sum of one (1) % of the combined total quarterly expenditures under this contract. This contract management fee is to be noted on the quarterly "Contract Usage Report" and paid by the Supplier, to DCS, Central Purchasing Division within 30 calendar days from the completion of the quarterly reporting period stated under the section titled "Contract Usage Reporting". The contract management fee check should be sent to:

Personal or Common Carrier Delivery:

Department of Central Services, Central Purchasing
Will Rogers Building
2401 N. Lincoln Blvd, Suite 116
Oklahoma City, OK 73105
Attention: Theresa Johnson

U.S. Postal Delivery:

Department of Central Services, Central Purchasing
PO Box 528803
Oklahoma City, OK 73152-8803
Attention: Theresa Johnson

Contract Usage Reporting Requirements.

Contractor's Report of Sales: Reports shall provide the amounts sold to all political entities that include but are not limited to State Agencies, Counties, Cities, Schools, and Municipalities.

The supplier should submit reports quarterly. If quarterly, the report shall be received within 30 calendar days following the reporting period described herein.

The template in Excel format for the report will be CP Form #Reports shall be submitted quarterly regardless of quantity.

Usage Reports shall be sent electronically to: Theresa_Johnson@dcs.state.ok.us, within 30 calendar days upon completion of performance quarter period cited below.

Contract quarterly reporting periods shall be:

January 1 through March 31

April 1 through June 30

July 1 through September 30

October 1 through December 31

Failure to provide usage reports shall result in cancellation or suspension of contract.

Price Adjustments.

Prices are to remain firm during the first 12 months of the contract. After that date, if there has been an industry-wide price increase suppliers may request an increase in prices. Price increases may be requested only once each year. Pricing changes must be submitted 30 days prior to the date of the effective change and must be approved by the contracting officer. Documentation from the manufacturer/distributor and a detailed item listing with price change suggestions must be submitted. Any increase will not affect any orders issued prior to the effective approval date of any price changes. Supplier's failures to promptly notify the State of any price decreases shall result in the cancellation of their contract. No price reduction may be offered to an agency unless that reduction is offered to all agencies.



Lubrication Specialists, Inc.
Distributor of BG Products

**Personnel to Implement State of Oklahoma
Fuel Maintenance and Management Program**

<u>Name</u>	<u>Residence</u>	<u>Title</u>
Charlie Polston	Broken Arrow, Oklahoma	Director of Marketing
Ray Carter	Oklahoma City, Oklahoma	Supervisor
Clete Pfeiffer	Moore, Oklahoma	Warehouse
Benjamin Hanby	Oklahoma City, Oklahoma	Field Representative
Brad Russell	Durant, Oklahoma	Field Representative
John Floistad	Broken Arrow, Oklahoma	Field Representative
Brian Parker	Broken Arrow, Oklahoma	Field Representative
Dan Frazier	Oklahoma City, Oklahoma	Field Representative
Mike Blackwell	Edmond, Oklahoma	Field Representative
Nate Sturdivant	Oklahoma City, Oklahoma	Field Representative
Patrick Hutson	Amarillo, Texas	Field Representative

Additionally, we have six other field reps scattered around the state to serve as back-up drivers.

Respectfully,

A handwritten signature in cursive script that reads "Charles Polston".

Charles Polston
Director of Marketing

DOT Site List by Wholesaler

7/10/2012

DOT Site	Wholesaler
ADA (Div III)	Brad Russell
Chandler	Mike Blackwell
Coalgate	Brad Russell
Holdenville	Brad Russell
Norman	Brad Russell
Okemah	Brad Russell
Pauls Valley	Brad Russell
Purcell	Brad Russell
Purcell Residency	Brad Russell
Seminole	Brad Russell
Tecumseh	Brad Russell
Tishomingo	Brad Russell
Wewoka	Brad Russell
Wewoka Residency	Brad Russell

ANTLERS (Div II)	Brad Russell
Atoka	Brad Russell
Durant	Brad Russell
Hugo	Brad Russell
Idabel	Brad Russell
Madill	Brad Russell
McAlester	John Floistad
Poteau	John Floistad
Talihina	John Floistad
Wilburton	John Floistad

Bartlesville	Brian Parker
Bristow	Brian Parker
Claremore	Brian Parker
Interstate	Brian Parker
Jay	Brian Parker
Miami	Brian Parker
Nowata	Brian Parker
Pawhuska	Brian Parker
Pawnee	Brian Parker
Pryor	Brian Parker
TULSA CO. (Div VIII)	Brian Parker
Tulsa West	Brian Parker
Vinita	Brian Parker

Anadarko	Dan Frazier
Ardmore	Brad Russell
Chickasha	Dan Frazier
Davis	Brad Russell
DUNCAN (Div VII)	Dan Frazier
Lawton	Dan Frazier
Marietta	Brad Russell
Walters	Dan Frazier
Waurika	Dan Frazier

DOT Site	Wholesaler
OKC (Div IX)	Benjamin Hanby
OKC Central Garage	Benjamin Hanby
OKC County Barn	Benjamin Hanby
State Motor Pool	Benjamin Hanby

Blackwell	Mike Blackwell
Cushing	Mike Blackwell
Edmond	Mike Blackwell
El Reno	Mike Blackwell
Enid	Mike Blackwell
Guthrie	Mike Blackwell
Kingfisher	Mike Blackwell
Medford	Mike Blackwell
PERRY (Div IV)	Mike Blackwell
Stillwater	Mike Blackwell
Tonkawa	Mike Blackwell
Yukon	Mike Blackwell

Checotah	John Floistad
Eufaula	John Floistad
MUSKOGEE (Div I)	John Floistad
Okmulgee	John Floistad
Sallisaw	John Floistad
Stigler	John Floistad
Stilwell	John Floistad
Tahlequah	John Floistad
Wagoner	John Floistad

Altus	Dan Frazier
Arapaho	Ray Carter
Cheyenne	Ray Carter
CLINTON (Div V)	Ray Carter
Cordell	Ray Carter
Elk City	Ray Carter
Frederick	Dan Frazier
Hobart	Ray Carter
Hollis	Dan Frazier
Hydro	Ray Carter
Mangum	Dan Frazier
Sayre	Ray Carter
Talogo	Ray Carter
Watonga	Ray Carter

Alva	Ray Carter
Beaver	Patrick Hutson
Boise City	Patrick Hutson
BUFFALO (Div VI)	Ray Carter
Cherokee	Ray Carter
Fairview	Ray Carter
Guymon	Patrick Hutson
Guymon Residency	Patrick Hutson
Shattuck	Ray Carter
Woodward	Ray Carter

* **Bold, ALL-CAPS sites denotes division headquarters.**

CONTRACT SPECIFICATIONS
PART A (BULK) STATE OF OKLAHOMA

SPECIFICATIONS FOR A GASOLINE AND DIESEL FUEL MAINTENANCE AND MANAGEMENT PROGRAM
(FOR BULK TANK TREATMENT)

SCOPE. The State of Oklahoma has created a contract for a statewide Gasoline and Diesel Fuel Maintenance Program. The contractor must be on site (at the point of fuel delivery) each time a state agency receives a fuel delivery. The state of Oklahoma has several hundred bulk fuel tanks located throughout the state.

SERVICE. The contractor must perform the following services:

- A. Bottom samples each storage tank using ASTM-recognized sampling equipment (i.e. Bacon Bomb Bottom Sampler) to determine presence of water, microbial growth and heavy stratified fuel.
- B. Test each storage tank with FAA-approved microbial growth detection culture (i.e., Aviation Lab's Bug Check Kit).
- C. Pump water and microbial growth from tank bottom. (This is not a contract for waste disposal. The State of Oklahoma will deal with disposal.)
- D. Install liquid fuel system dryer additive directly into the bulk storage tank to "sop up" any trace water that remains after pumping. The fuel system dryer additive must be able to absorb its weight in water. This fuel system dryer is to be provided to the State on an "as needed" or "as requested" basis, it is not to be used continually. This product and service are part of the overall water removal process and are to be performed at no additional cost to the State.
- E. Eliminate and kill all microbial growth in storage tanks by installing a fuel biocide. Biocide is to be installed and mixed at each fuel storage location.
- F. Follow-up testing, as requested, to validate microbial growth elimination.
- G. Sample tanks at every fueling location every six months (or more often as requested) to check for reappearance of water and microbial growth.
- H. Tank bottoms to be pumped and treated with fuel system dryer as often as necessary to maintain a water-free environment for fuel storage.
- I. On-Site testing at each fueling location every six months using ASTM D287 API Gravity Equipment. Supplier must also perform a field oxidation storage stability test every six months.
- J. On-Site testing at each fueling location every twelve months using ASTM D97 Cloud and Pour Point Testing Equipment to assure the winter performance of diesel fuel.
- K. Be on site at each fueling location each time a state agency receives a load of bulk fuel (regardless of quantity) to install additives in gasoline and diesel storage tanks. Supplier is responsible for meeting the transport truck's load of fuel at each fueling location. If this is occasionally not possible, then the supplier should arrive within 24 hours before or after the fuel is delivered to install and mix the additives with the fuel.
- L. Conduct a Fuel Trends Maintenance or Fleet Maintenance Seminar twice per years to keep personnel up-to-date on the rapidly changing world of Fuel Management and Fleet Maintenance.
- M. File a report with the agency fleet manager or foreman each time an initial or follow-up test is performed.
- N. Keep the State updated on the latest additives and treatment ratios for Alternative Fuels such as Biodiesel.
- O. Make a commitment to research and develop new additive technologies that will produce better responsiveness in Biodiesel mixtures.

THE DIESEL FUEL ADDITIVE. The diesel fuel additive must contain:

- A. Oxidation inhibitors to slow the natural degradation of diesel fuel caused by exposure to atmospheric oxygen.
- B. Metal deactivators to help eliminate the oxidation process.
- C. Detergents to clean up any varnish or gum in the fuel system.
- D. Deposit modifiers to remove carbon deposits from valve and piston crowns.
- E. Corrosion inhibitors to stop the effects of acids and oxidation materials on fuel system components. Additive must work in the liquid phase and vapor phase of the fuel.
- F. De-emulsifiers to prevent diesel fuel from holding soluble water.
- G. Dispersants to help keep insoluble materials in fuel from agglomerating and plugging filters.
- H. Pour point depressants to lower the temperature at which fuel gelling occurs.
- I. A wax dispersant to further reduce filters plugging.
- J. Combustion modifiers to help fuel burn more completely.
- K. Less than 1% alcohol by weight, including methanol, isopropyl, or any other alcohol derivative.
- L. Treat Ratio must be 1-1000 or greater.
- M. Must meet Cummins L-10 requirements with a rating of 12 or less. (Complete lab documentation to accompany proposal!)
- N. Lubricity additives to protect diesel pumps and injectors from the drying effect of low sulfur diesel fuels.
- O. Must be compatible with Biodiesel fuel blends.

NOTE: Additive must not contain any ash-producing heavy metals: i.e., Barium, etc.

THE GASOLINE ADDITIVE. The gasoline additive must contain:

- A. Oxidation inhibitors to help stabilize gasoline and prevent the formation of varnishes, resins, and other oxy-materials that gum up fuel systems.
- B. Detergents to clean existing deposits from valves and piston crowns.
- C. Deposit modifiers to remove carbon deposits from valves and piston crowns.
- D. Heat Stable lubricants to help reduce the adverse effects of dry, unleaded gasoline.
- E. Less than 1% (one percent) alcohol by weight, including methanol, isopropyl, or any other alcohol derivative.
- F. Treat ratio must be 1-400 or greater.
- G. Must suppress intake valve deposits. (Supplier must document test results to show gasoline additive is effective in keeping intake valve deposits under control. Documentation must show CRC rating.)
- H. Must work in both conventional and ethanol blends. (E-10, E-15, and E-85)

THE BIOCIDES. The biocides must:

- A. Be able to work in gasoline and diesel fuel.
- B. Kill Microbial growth within 12 hours.
- C. Be effective in water. (Must be able to kill microbial growth living in water at tank bottom.)
- D. Be effective in diesel fuel and gasoline. (Must be able to kill microbial growth living in gasoline and diesel fuel.)
- E. Be transferable. The biocide must work in the fuel phase of a tank and emulsify into the fuel. This allows individual vehicles to receive a "DOSE" of biocide when they receive fuel from a treated tank.
- F. Be registered with the EPA. EPA Registration Number: **938626065597 and 707-198**

NOTE: The biocide is not to be used on a continual basis, but only as necessary to control microbial growth.

PART B (INDIVIDUAL VEHICLES: GASOLINE)

SPECIFICATIONS FOR: GASOLINE INJECTOR SYSTEM CLEANER; DEPOSIT REMOVAL ADDITIVE; DEPOSIT CONTROL ADDITIVE FOR GASOLINE VEHICLES; GASOLINE AIR INDUCTION CLEANER, AND AN ANTI-ICING ADDITIVE FOR DIESEL OR GASOLINE VEHICLES (FOR INDIVIDUAL VEHICLE TANK TREATMENT)

Scope. The State of Oklahoma has created a contract for fuel additives that will be installed in individual over-the-road equipment (automobiles, vans, etc.). The State has several thousand gasoline and diesel vehicles that are serviced and fueled at various stations through the state.

Services. The contractor will perform the following services at no additional charge:

Provide up to eight (8) hours of on-site training at each maintenance facility in Oklahoma. Training will be done at the request of the foreman or administrator of each maintenance facility. (dates, times must be approved by Central Purchasing, Contracting Officer prior to supplier scheduling)

Conduct a fleet fuel trends seminar or fleet maintenance clinic at each maintenance facility two (2) times per year to update maintenance personnel on the rapidly changing world of fleet management and preventative maintenance. (Seminars to be done at the request of foreman or administrator of each maintenance facility dates, times must be approved by Central Purchasing, Contracting Officer prior to supplier scheduling)

Provide preventative maintenance literature and visual aids that will help State Personnel understand the maintenance services provided by the State Maintenance Facilities and how those services improve vehicle drive ability, fuel economy, and performance.

Repair and update fuel induction equipment as requested by the administrator or foreman.

Provide on-site gasoline and fuel analysis as requested to determine fuel quality and stability (especially in dual-fuel applications).

Deliver all equipment and additives to the various maintenance facilities and/or state agencies throughout Oklahoma. Delivery provided in any quantity and provided on-site at no charge.

Equipment.

Gasoline Injector Cleaning and Air Induction Cleaning Equipment:

- A. Must be able to connect to the gasoline fuel rail for port fuel injected engines.
- B. Must have a power source for pressurization, whether electronic or air pressure.
- C. Must be able to provide universal application to clean injectors and throttle induction systems on all gasoline vehicles owned by the state.
- D. Must be able to accommodate a variety of injection rail pressures for both conventional systems and gasoline direct injection systems.
- E. Must be able to turn liquid cleaner into a fine mist for fogging into throttle plate and intake plenum.
- F. Must come with an extensive set of adaptors and attachment fittings to connect with a variety of makes and models of vehicles.

CONTRACT

State of Oklahoma

Dispatch via Print

Vendor ID 0000073037
LUBRICATION SPECIALISTS INC
6601 W WILSHIRE BLVD
OKLAHOMA CITY OK 73132-5449

Contract ID			Page	
00000000000000000000000000003250			1 of 4	
Contract Dates		Currency	Rate Type	Rate Date
08/01/2012 to 07/31/2013		USD	CRRNT	PO Date
Description:			Contract Maximum	
From Req ID - 5800001823			0.00	
Allow Open Item Reference				
TYPE: STATEWIDE				

Tax Exempt? Y Tax Exempt ID:736017987

Line #	Cat CD / Item ID / Item Desc	Minimum Order Qty	Amt	Maximum / Open Qty	Open Amt
1	15111700 / Diesel, Fuel Additive, 1 gallon Cost of Diesel Additive per Gallon: \$ 86.00 Treatment Ratio: 1 gallon treats 1000 gallons Container Size(s) 5 gallons or less: 1 gallon Cost per Treated Gallon of Diesel Fuel: \$.086 Product Name and Part Number: BG DFC Plus #2301	1.00	0.00	0.00	0.00
	Contract Base Pricing 86.00000 GA 0001				
2	15111700 / Diesel, Fuel Additive, 5 gallon Cost of Diesel Additive per Gallon: \$ 430.00 Treatment Ratio: 1 gallon treats 1000 gallons Container Size(s) 5 gallons or less: 5 gallons Cost per Treated Gallon of Diesel Fuel: \$.086 Product Name and Part Number: BG DFC Plus #2305	1.00	0.00	0.00	0.00
	Contract Base Pricing 430.00000 GA 0001				
3	15111700 / Gasoline, Fuel Additive, 1 gallon Cost of Gasoline Additive per Gallon: \$60.00 Treatment Ratio: 1 gallon treats 400 gallons Container Size(s) 5 gallons or less: 1 gallon Cost per Treated Gallon of Gasoline Fuel: \$.15 Product Name and Part Number: BG Gasoline Treatment #2021	1.00	0.00	0.00	0.00
	Contract Base Pricing 60.00000 GA 0001				
4	15111700 / Gasoline, Fuel Additive, 5 gallon Cost of Gasoline Additive per Five Gallon: \$300.00 Treatment Ratio: 1 gallon treats 400 gallons Container Size(s) 5 gallons or less: 5 gallons Cost per Treated Gallon of Gasoline Fuel: \$.15 Product Name and Part Number: BG Gasoline Treatment #2022	0.00	0.00	5.00 5.00	0.00
	Contract Base Pricing 300.00000 GA 0001				
5	15111700 / Biocide, Diesel Additive, 1 gallon Cost of Diesel Additive per Gallon: \$ 525.00 Treatment Ratio: 1 gallon treats: 10,000 gallons Container Size(s) 5 gallons or less: 1 gallon Cost per Treated Gallon of Diesel Fuel: \$.052 Product Name and Part Number: BG Kathon Biocide #KATHON	0.00	0.00	5.00 5.00	0.00
	Contract Base Pricing 525.00000 GA 0001				

Final = The price is final after adjustments
Hard = Apply adjustments regardless of other adjustments
Skip = Skip adjustments if any other adjustments have been applied

Authorized Signature

