

LP GAS

NOTICE OF AWARDS

Buyer: Scott Nelson
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Date: June 5, 2023

1. **Contract Term:** This notice establishes contract(s) resulting from Solicitation # 23IFB8710 for a period of one year, from July 1, 2023 through June 30, 2024 inclusive. The Solicitation and the vendor's response, along with the South Dakota Vendor's Manual are made part of the vendor's contract by this reference.
2. **Extension:** The State shall have the option, at the State's sole discretion, to extend the contract(s) resulting from this Solicitation for an additional two (2) months past the original contract expiration date. The State may renew this contract for up to four (4) additional one (1) year periods. Notice shall be given by the State to the vendor at least 60 days prior to the termination of the contract, and the vendor shall agree to such extension within 30 days thereafter, before such extension period shall become effective.
3. **Pricing:** All margin prices quoted in the referenced proposal are firm for the term of this contract. Base price shall be adjusted daily. The adjustments for the day will be made immediately upon receipt of 'DTN' and available on the Internet for the State agencies using the contract. In the event that 'DTN' is not published for a period of time, the "unbranded average price" indicated in the last published edition shall apply until the next published issue is received. The using agencies shall access the Internet for the daily price changes. The listing for Rapid City will be a Statewide average of the daily propane listings from the other two sites.

Vendors will be authorized to invoice State accounts the adjusted price for orders received. Orders made before 1:00PM CST are to be billed at that day's pricing. Orders made after 1:00PM CST are to be billed at the next day's pricing.

If a product ordered is not available, the agency is authorized to buy from a non-contract vendor or wait to be notified by the contractor when the fuel is available to be re-ordered.

If the open market price in the local area covered by a specific contract is \$.025 or more cents per gallon under the vendor's price, a state agency may purchase the less expensive product after first giving the vendor an opportunity to meet the lower price.

4. **Delivery:** The contractor shall furnish and deliver all of the awarded items of supplies, equipment, and commodities enumerated in the schedules and specifications, at the price and according to the terms and conditions, and of the kind, quality, and amounts and at the times specified in the schedules and specifications. The supplies, equipment and commodities shall be delivered to the Director of the Office of Procurement Management or to such State Department or State agency as he shall direct and such delivery shall be made without cost to the State.

All deliveries are F.O.B. Destination and are to be made within two (2) business days from time of order.

5. **Certification Relating to Prohibited Entity:** Contractor certifies and agrees that the following information is correct:

In preparing its response or offer or in considering proposals submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, Contractor is not an entity, regardless of its principal place of business, that is ultimately owned or controlled, directly or indirectly, by a foreign national, a foreign parent entity, or foreign government from China, Iran, North Korea, Russia, Cuba, or Venezuela, as defined by South Dakota Executive Order 2023-02.

Contractor further agrees that, if this certification is false, such false certification will constitute grounds for the State to terminate this Agreement. Contractor further agrees to provide immediate written notice to the State if during the term of this Agreement it no longer complies with this certification and agrees such noncompliance may be grounds for termination of this Agreement.

6. **Restriction of Boycott of Israel:** For contractors, vendors, suppliers, or subcontractors with five (5) or more employees who enter into a contract with the State of South Dakota that involves the expenditure of one hundred thousand dollars (\$100,000) or more, by submitting a response to this solicitation or agreeing to contract with the State, the bidder certifies and agrees that the following information is correct:

The bidder in preparing its response in considering bids submitted from qualified, potential vendors, suppliers, and subcontractors, or in the solicitation, selection, or commercial treatment of any vendor, supplier, or subcontractor, has not refused to transact business activities, has not terminated business activities, and has not taken other similar actions intended to limit its commercial relations, related to the subject matter of the bid, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel or its territories, with the specific intent to accomplish a boycott or divestment of Israel in a discriminatory manner. It is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid submitted by the bidder on this project and terminate any contract awarded based on the bid. The successful bidder further agrees to provide immediate written notice to the contracting executive branch agency if during the term of the contract it no longer complies with this certification and agrees such noncompliance may be grounds for contract termination.

7. All delivery tickets, invoices and statements shall show the purchase order number, brand or trade name and State Item Number when applicable as shown in this contract. Invoices must be submitted in duplicate to the State Agency ordering the merchandise. **DO NOT SUBMIT STATEMENTS OR INVOICES TO THE OFFICE OF PROCUREMENT MANAGEMENT AS IT ONLY DELAYS PAYMENT.**



Steven L. Berg, Director
Office of Procurement Management

CONTRACTORS

To view the contractor awarded for your location, visit the website below and click on the tankwagon or transport tab at the bottom of the worksheet. Locations are listed in alphabetical order.

https://boa.sd.gov/central-services/procurement-management/Contract_Fuel_Price_Propane.htm

<p>Burke Oil Company 1200 East King Str. Chamberlain, SD 57325 Contact: Robert Burke Phone: 605-734-6905 Email: burkeoil@midstatesd.net</p> <p>Vendor # 12042906 Contract # 17772</p>	<p>CHS Farmers Alliance 40335 US Highway 14 Huron, SD 57350 Contact: Darwin Zeffoss Phone: 605-352-6492 Email: Darwin.Zeffoss@chsinc.com</p> <p>Vendor # 12020868-37 Contract # 17773</p>
<p>Deuel County Farmer's Union PO Box 430 Toronto, SD 57268 Contact: Daryl Feilmeier Phone: 605-794-4861 Email: daryl.dcfu@itctel.com</p> <p>Vendor # 12028639-04 Contract # 17774</p>	<p>D & R Propane PO Box 581 Eagle Butte, SD 57625 Contact: David Neigel Phone: 605-964-4509 Email: david_neigel@hotmail.com</p> <p>Vendor # 12124094 Contract # 17775</p>
<p>Enning Propane 17495 SD Highway 34 Enning, SD 57737 Contact: Todd Keffeler Phone: 605-985-5406 Email: enningpropane@goldenwest.net</p> <p>Vendor # 12483474 Contract # 17776</p>	<p>Kadoka Oil PO Box 500 Kadoka, SD 57543 Contact: Tammy Carlson Phone: 605-837-1840 Email: discountfuel2@hotmail.com</p> <p>Vendor # 12046154 Contract # 17777</p>
<p>Nelson's Oil & Gas 1346 Galveston Ave. Hot Springs, SD 57747 Contact: Andrew Nelson Phone: 605-745-4189 Email: andrew_nelson@nelsonsoilandgas.com</p> <p>Vendor # 12035410-09 Contract # 17778</p>	<p>Olson Propane 12600 US Highway 85 Buffalo, SD 57720 Contact: Sam Olson Phone: 605-641-6556 Email: sam@buffalohardwarestore.com</p> <p>Vendor # 12596392 Contract # 17779</p>

<p>Sioux Valley Coop 220 10th Str NW Watertown, SD 57201 Contact: Jared Landmark Phone: 605-886-5829 Email: jlandmark@siouxvalleycoop.com</p> <p>Vendor # 12030270 Contract # 17780</p>	<p>Slater Oil and LP Gas 1007 E. Grand Crossing Mobridge, SD 57601 Contact: Kent Slater Phone: 605-845-3744 Email: slateroilp@gmail.com</p> <p>Vendor # 12035830-02 Contract # 17781</p>
<p>Southwest Grain Box 239 Lemmon, SD 57638 Contact: Barb Pinnow Phone: 605-374-3318 Email: barb.pinnow@chsinc.com</p> <p>Vendor # 12020868-09 Contract # 17782</p>	<p>Stern Oil Company PO Box 218 Freeman, SD 57029 Contact: Trevor Reinesch Phone: 605-925-7999 Email: trevor.reinesch@stern.co</p> <p>Vendor # 12036633 Contract # 17783</p>
<p>Tri-County Oil & Gas 300 W. Main Str. Irene, SD 57037 Contact: Cody Schenk Phone: 605-263-3328 Email: cody@tcpsd.com</p> <p>Vendor # 12046268 Contract # 17784</p>	

INSTRUCTIONS FOR LP GAS-PROPANE

PRICE INFORMATION:

Prices for propane fuel are to be computed using the "price adjustments" method set forth herein:

The total price of the product delivered to destination shall consist of two components. These components are:

- A) Base Price (DTN Published Prices "Unbranded Averages" for Propane)
- B) Bid Price (Vendor Margin which includes all costs other than those in Base Price above).
The margin price **MUST** include all costs, e.g., perc. fees, freight, transportation, etc. associated with providing and the delivery of LP Gas.

BASE PRICE:

The base price shall be the "unbranded" average price for propane as reported by an industry daily publication entitled "[Data Transmission Network Corporation](#)" (DTN). The "unbranded" average price, for each terminal in South Dakota, as published in the FastRacks report for each fuel, will be the base price. The State of South Dakota reserves the right to use Contract Averages for any sites where unbranded data is insufficient or out of fuel situations occur.

Bidders should use the abbreviations shown below to indicate, in the designated column on the bid pages, which terminal will be used as the source of fuel for each location for which a bid is provided. This will be the determining factor from which the DTN price will be based. DTN is published each day by www.dtnenergy.net.

RC: Rapid City

WS: Wolsey

YK: Yankton

Listing for Rapid City will be a statewide average of the daily propane listings from the other sites.

BID PRICE

The bid price shall be the margin the bidder quotes above the base price. The bid price shall be firm for the full term of the contract.

Bidders shall indicate only the margin bid price on the pricing schedules provided at the end of this packet. Do not indicate the total price per gallon.

All bid prices are to be expressed as a decimal. For example:

If the bid price is five and three quarters cents per gallon, express as 0.0575. If the bid price is three quarters of a cent per gallon, express as 0.0075. Negative Margins must be bid as a minus number in parentheses. Example (-.0001)

PRICE ADJUSTMENT

Base Price – Base price shall be adjusted daily. The adjustments for the day will be made immediately upon receipt of "DTN" and available [on the Internet](#) for the State agencies using the contract resulting from this solicitation.

In the event that "DTN" is not published for a period of time or State of South Dakota offices are closed, the "unbranded" average price indicated in the last published edition shall apply until the next published issue is received. The using agencies shall access the Internet for the daily price changes.

Should "DTN" cease publication, change method of publishing prices, or change product designations as currently listed, an agreement may be made by the parties on a new price determination method during the contract period or the contract shall be terminated.

The price will be adjusted in dollars, up or down in an amount equal to the "unbranded" average price change for the product as published by the [Data Transmission Network Corporation](#) for each day.

Vendors will be authorized to invoice State accounts the adjusted price for orders received. Orders made before 1:00PM CST are to be billed at that day's pricing. Orders made after 1:00PM CST, that are not delivered that same day, are to be billed at the next day's pricing.

If a product ordered is not available, the agency is authorized to buy from a non-contract vendor or wait to be notified by the contractor when the fuel is available to be re-ordered.

If the open market price in the local area covered by a specific contract is \$.025 or more cents per gallon under the vendor's price, a state agency may purchase the less expensive product after first giving the vendor an opportunity to meet the lower price.

Unbranded LP Gas is acceptable but must conform to the current revision of the Gas Processors Association (GPA) Standard 2140.

All orders shall be shipped F.O.B. Destination with all transportation and handling charges paid by the vendor and shall be made within 2 business days from the date of order.

VENDORS WILL SUBMIT INVOICES TO THE STATE AGENCIES AT LEAST ONCE A MONTH.