

COMMONWEALTH OF VIRGINIA
DIVISION OF PURCHASES AND SUPPLY
1111 E. BROAD STREET P.O. BOX 1199
RICHMOND, VIRGINIA 23218-1199

NOTICE OF CONTRACT AWARD

VENDOR: Brown's Forest Products, Inc

PRODUCT: Sawdust for Piedmont Geriatric Hospital - Burkeville, Virginia

DATE: November 1, 2011

Contract Number: E194-1346

This contract number must be shown on all purchase orders placed against this contract.

Title: Sawdust to Piedmont Geriatric Hospital - Burkeville, VA

Description: Sawdust to Piedmont Geriatric Hospital - used in boilers for heating.

Contractor: Brown's Forest Products, Inc. PO Box 362, Charlotte Courthouse, VA 23923

Contract Officer: Dennis Donahue, C.P.M., VCO

Email: dennis.donahue@dgs.virginia.gov

Phone: 804-786-5410

Payment Terms: Net 30 days.

Contractor accepts invoices only, no State of VA Purchase Credit Cards

Authorized Users: This contract is the result of a competitive bid program. It is a single agency contract for Piedmont Geriatric Hospital only. Piedmont Geriatric Hospital contact : Larry W. Wilson (LW), Boiler Plant Operations Technician, (p) 434- 767-4565

3 Year Contract Begin Date: November 1, 2011 **Contract Expiration Date:** October 31, 2014

Vendor Contact Name: Ms. SamiDail B. Gilley

Contact Phone: 434-735-8179

Fax Number: 434-735-8829

Contact Email: sami4bfp@hughes.net

Renewal Periods

Line Number	Renewal Period Length	Renewal Period Unit	Effective Date	Expiration Date
1	1	Years	11/1/14	10/31/15
1	1	Years	11/1/15	10/31/16

Line: 1	NIGP Code: 54078	Description: Sawdust and Shavings
Product/Category: LUMBER, SIDING, AND RELATED PRODUCTS		
Unit Price: \$28.99 / ton		

TECHNICAL SPECIFICATIONS:

Contractor shall provide Augusta Correctional Center, Type 1 or Type 2 sawdust per the following Specifications:

TYPE I Sawdust:

- (1) The sawdust shall consist of screened, greenmill, hardwood.
- (2) Sawdust particles shall not be more than 3/8" in any direction.
- (3) Sawdust mixtures shall not contain more than 30% hardwood waste grindings.
- (4) The sawdust shall not contain any wood finish materials or glue material.
- (5) The maximum moisture content shall not exceed 50% by weight.
- (6) The sawdust shall not contain "sander dust".
- (7) If sawdust is delivered as a mixture, the components shall be blended and the sawdust material shall be delivered as a homogenous mixture.
- (8) The sawdust shall be clean and free of debris such as rock, sand, dirt, metal, bark and other trash.

TYPE II Sawdust:

- (1) The sawdust shall consist of hardwood or a hardwood/softwood mixture.
- (2) Sawdust mixtures shall contain a majority percentage of hardwood.
- (3) The sawdust particles shall be approximately 3/8" in any direction. No extraneous wood particles shall be more than 2" in any single direction.
- (4) The sawdust shall be clean and free of debris such as rock, sand, dirt, metal and other trash.
- (5) The maximum moisture content shall not exceed 50% by weight.

Terms and Conditions

1. **SCOPE**: Provide Sawdust to Augusta Correctional Center in Craigsville, VA on an as needed/ as requested basis as per the attached Specifications (ref Section 14 below). Augusta Correctional Center burns sawdust in their boilers. The original period of this term contract will be for a three (3) consecutive contract years and may have two successive one-year period renewals.
2. **ADVERTISING** No indication of such sales or services to the Virginia Augusta Correctional Center will be used in product literature or advertising by contractor. The contractor shall not state in any of its advertising or product literature that Virginia Augusta Correctional Center has purchased or uses any of its products or services, and the contractor shall not include Virginia Augusta Correctional Center in any client list in advertising and promotional materials.
3. **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
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. **DELIVERY**: Contractor shall deliver sawdust within three (3) calendar days after notification. The delivery should be in self-unloading trailers or trucks.

Certified and tare weighing scale reports, acceptable to the Commonwealth, shall accompany each delivery.

6. **DISCOUNTS**: Discounts offered apply without regard to the form of payment.
7. **eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS**: This solicitation may result in multiple purchase orders with the eVA transaction fee specified below assessed for each order.
 - A. For orders issued July 1, 2011 thru June 30, 2012, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 0.75%, Capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, Capped at \$1,500 per order
 - B. For orders issued July 1, 2012, and after, the Vendor Transaction Fee is:
 - (i) DMBE-certified Small Businesses: 1%, Capped at \$500 per order.
 - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, Capped at \$1,500 per order.

8. **ORDERS**: Orders will be issued in tonnage quantities.
9. **PAYMENT TERMS**: Standard payment terms for Contract Users are **net 30** days from product delivery or invoice receipt, whichever is later.
10. **PURCHASE VOLUME REPORT**: The contractor shall furnish annual volume reports to the Commonwealth, on the anniversary of this contract, of the sales made under this contract. The report shall show the total of all sales made and include a listing for all of the individual items sold under this contract. References shall be made to contract line items.
11. **PRICE ADJUSTMENT FOR EXCESS MOISTURE OR TRASH**: Should any delivery of sawdust contain moisture in excess of 50% or trash in excess of 1%, by weight, the Commonwealth reserves the right to deduct, on a one-to-one percentage basis, for excess moisture or trash. Any such deductions shall be considered as a price adjustment for lost BTU content of sawdust and not as consequential or other damages or penalty. The Commonwealth reserves the right to cancel any resulting contract for poor quality material, or for failure to deliver
12. **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 index/indices: the United States Bureau of Labor Statistics, Producer's Price Index (PPI), for the latest twelve prior months for which statistics are available, and other applicable market factors. The following will be used to extract price data:

Producer Price Index Industry Data

Series Id: PCU3219123219121

Industry: Cut stock, resawing lumber, and planing

Product: Hardwood lumber, made from purchased lumber

Base Date: 200312

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 calendar 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 days 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.

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.

13. **RENEWAL OF CONTRACT:**

This contract may be renewed by the Commonwealth upon written agreement of both parties for two successive one year periods, under the terms of the current contract, and at a reasonable time (approximately 90 days) prior to the expiration.