



Department of General Services
Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605-2811

State of California
CONTRACT NOTIFICATION
MANDATORY

CONTRACT NUMBER:	1-09-91-08-A Supplement 1
DESCRIPTION:	Biodiesel B5 & B20
DELIVERY AREA(S):	District 2, 3, 4, 6, 7, 9 , and 10 <i>(Counties listed on Page 2)</i>
CONTRACTOR(S):	Falcon Fuels Inc.
CONTRACT TERM:	01/09/2009 through 01/ 08/2011
DISTRIBUTION LIST:	Posted Electronically on http://www.pd.dgs.ca.gov/contracts/91-08.htm
STATE CONTRACT ADMINISTRATOR:	Brian A. Sims (916) 375-4452 brian.sims@dgs.ca.gov

A handwritten signature in black ink, appearing to read "Brian A. Sims".

Brian A. Sims, Contract Administrator

Date: 01/15/2009

Contract (Mandatory) 1-09-91-08A Supplement 1
Contract Notification and User Instructions

January 15, 2009

Contract No. 1-09-91-08-A, Falcon Fuels, Inc. is hereby modified to reflect the following changes:

Please note: Of the Contract Notification and User Instructions, replace page (2) and page (5) with the attached revised documents. All changes to User Instructions on pages 2 and 5 are in ***Bold, Italic***. All changes in ~~***Strikethroughs***~~ represent removal from the Contract Notification and User Instructions.

1. As of January 15, 2009, award to District 9, Page (2) of the Contract Notification and User Instructions, is hereby retracted and cancelled. District 9 is not being awarded at this time. District 9 covers the following counties: Mono, Inyo, and Bakersfield – Region Base Market Price (RBBP) Bakersfield.
2. District 2, RBMP indicated as "EUREKA" is hereby changed to "SACRAMENTO".
3. District 10, Counties (within District) "ALAVERAS" this is a spelling error and should be "CALAVERAS".
4. District 10, RBMP indicated as "STOCKTON" is hereby changed to "SACRAMENTO"

All other terms and conditions remain the same.

**Contract (Mandatory) 1-09-91-08A Supplement 1
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1. SCOPE

The State's contract with Falcon Fuels Inc. (contractor) provides Biodiesel at contracted pricing to the State of California and local governmental agencies in accordance with the requirements of Contract # 1-09-91-08A. The contractor shall supply the entire portfolio of products as identified in the contract and will be the primary point of contact for data collection, reporting, and distribution of Biodiesel to the State.

Note: Contract # 1-09-91-08A is based on California Department of Transportation (DOT) Delivery Districts as follows. Delivery locations within the following districts are restricted to the delivery locations identified on Attachment 2 – Delivery Location Listing.

District	Counties
2	<i>Siskiyou, Modoc, Trinity, Shasta, Lassen Tehama, Plumas</i>
3	Glenn, Butte, Colusa, Sutter, Yuba, Sierra, Nevada, Placer, Yolo, El Dorado, Sacramento
4	Sonoma, Napa, Marin, Solano, San Francisco, Contra Costa, Alameda, Santa Clara, San Mateo,
6	Madera, Fresno, Tulare, Kings, Kern
7	Ventura, Los Angeles
9	<i>Mono, Inyo-Bakersfield</i>
10	Amador, Alpine, <i>Calaveras</i> , Tuolumne, San Joaquin, Mariposa, Stanislaus, Merced

Note: DOT Districts 1, 5 and 9 were not awarded at this time.

The contract term is for two (2) years with an option to extend the contract for two (2) additional one (1) year period or portion thereof. The terms, conditions, and prices for the contract extension option shall be by mutual agreement between the contractor and the State. If a mutual agreement cannot be met the contract may be terminated at the end of the current contract term.

2. CONTRACT USAGE/RULES

A. State Departments

- The use of this contract is mandatory for all State of California departments.
- Ordering departments must adhere to all applicable State laws, regulations, policies, best practices, and purchasing authority requirements, e.g. California Codes, Code of Regulations, State Administrative Manual, Management Memos, and State Contracting Manual Volume 2 and 3, as applicable.
- Prior to placing orders against this contract, departments must have been granted non-IT purchasing authority by the Department of General Services, Procurement Division (DGS/PD) for the use of this statewide contract. The department's current purchasing authority number must be entered in the appropriate location on each purchase document. Departments that have not been granted purchasing authority by DGS/PD for the use of the State's statewide contracts may access the Purchasing Authority Application at <http://www.pd.dgs.ca.gov/deleg/pamanual.htm> or may contact DGS/PD's Purchasing Authority Management Section by e-mail at pams@dgs.ca.gov.

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B. Differentials

The differential costs for each district are listed below:

District	Counties (within District)	Region Base Market Price (RBMP)	B5 Differential	B20 Differential
2	Siskiyou, Modoc, Trinity, Shasta, Lassen, Tehama, Plumas	(EUREKA) SACRAMENTO	\$0.5874	\$0.5874
3	Glenn, Butte, Colusa, Sutter, Yuba, Sierra, Nevada, Placer, Yolo, El Dorado, Sacramento	SACRAMENTO	\$0.1995	\$0.1995
4	Sonoma, Napa, Marin, Solano, San Francisco, Contra Costa, Alameda, Santa Clara, San Mateo	SAN JOSE	\$0.2878	\$0.2878
6	Madera, Fresno, Tulare, Kings, Kern	FRESNO	\$0.3878	\$0.3878
7	Ventura, Los Angeles	LOS ANGELES	\$0.1496	\$0.1496
10	Amador, Alpine, Calaveras , Tuolumne, San Joaquin, Mariposa, Stanislaus, Merced	(STOCKTON) SACRAMENTO	\$0.2822	\$0.2822

All Differential prices are:

- Exempt from: Federal Excise Tax
- Exclusive of: State Sales Tax, Local Sales Tax, California Motor Vehicle Fuel Tax, Leaking Underground Storage Tank Tax, Oil Spill Liability Trust Fund Tax.

7. **SPECIFICATIONS**

All products must conform to the attached State of California Bid Specification Number(s) 9130-0495 and 9130-0496, dated 10/24/08 (Attachment 1).

Additional Requirements are as follows:

- The final blend furnished shall be thoroughly mixed at the time of delivery. It is recommended that each fuel delivery be filtered 30 micron or finer during the truck-to customer tank transfer. Filtering requirement shall become mandatory if tanker contamination is detected. Contractor shall provide adequate pump and filtering equipment.
- Contractor shall provide documentation that the final blend meets the Biodiesel blend requirement by volume.
- Blended fuel shall not deteriorate in ordinary storage and shall not form excessive gum, resin, or deposits during storage.
- Blended Biodiesel shall be delivered within 72 hours after filling the delivery truck tank.
- Contractor shall immediately notify the California Department of General Services and the ordering agency if any changes in Biodiesel feed stocks and additives are made.