



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

State of California
CONTRACT NOTIFICATION

****MANDATORY****

CONTRACT NUMBER:	1-09-68-01B
DESCRIPTION:	Gases (Medical, Industrial, & Specialty)
DELIVERY AREA(S):	Areas 1-2, 4-12 <i>(Counties listed on Page 2)</i>
CONTRACTOR(S):	Airgas NCN
CONTRACT TERM:	02/02/2009 through 01/10/2011
DISTRIBUTION LIST:	Posted Electronically on http://www.pd.dgs.ca.gov/contracts/68-01.htm
STATE CONTRACT ADMINISTRATOR:	Carol Loscutoff (916) 375-4540 carol.loscutoff@dgs.ca.gov

(original signed)

Carol Loscutoff, Contract Administrator

Date: **02/02/2009**

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1. SCOPE

The State’s contract with Airgas NCN (Contractor) provides Gases, Medical, Industrial and Specialty, at contracted pricing to the State of California departments and local governmental agencies located in Areas 1-2, 4-12 only, in accordance with the requirements of Contract # 1-09-68-01B. 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 Gases, Medical, Industrial and Specialty, to the State.

Note: These Areas are based on the Department of Transportation 12 Districts (see Attachment C - 12 Area Map). This contract will be restricted to deliveries within the boundaries of Areas 1-2, 4-12 only, which encompass the following counties:

Area	Counties
Area 1	Del Norte, Humboldt, Lake, Mendocino
Area 2	Lassen, Modoc, Plumas, Shasta, Siskiyou, Tehama, Trinity
Area 4	Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma
Area 5	Monterey, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz
Area 6	Fresno, Kern, Kings, Madera, Tulare
Area 7	Los Angeles, Ventura
Area 8	Riverside, San Bernardino
Area 9	Inyo, Mono
Area 10	Alpine, Amador, Calaveras, Mariposa, Merced, San Joaquin, Stanislaus, Tuolumne
Area 11	Imperial, San Diego
Area 12	Orange

The contract term is for two (2) years with an option to extend the contract for two (2) additional one (1) year periods 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 requiring delivery within the counties of Areas 1-2, 4-12 (see Attachment C, 12 Area Map).
- 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

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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.

- Departments must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. Ordering departments may contact their Purchasing Authority contact or their department's fiscal office to obtain this information.

B. Local Governmental Agencies

- Local governmental agency use of this contract is optional.
- Local government agencies are defined as "any city, county, city and county, district or other governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges", empowered to expend public funds for the acquisition of products, per Public Contract Code Chapter 2, Paragraph 10298 (a) (b). While the State makes this contract available to local governmental agencies, each local governmental agency should determine whether this contract is consistent with its procurement policies and regulations.
- Local governmental agencies shall have the same rights and privileges as the State under the terms of this contract. Any agencies desiring to participate shall be required to adhere to the same responsibilities as do State agencies and have no authority to amend, modify or change any condition of the contract.
- Local governmental agencies must have a Department of General Services (DGS) agency billing code prior to placing orders against this contract. DGS agency billing codes may be obtained by emailing the DGS billing code contact with the following information:
 - Local governmental agency
 - Contact name
 - Telephone number
 - Mailing address
 - Facsimile number and e-mail address

DGS Billing Code Contacts: marilyn.ebert@dgs.ca.gov or wilson.lee@dgs.ca.gov

- C. Unless otherwise specified within this document, the term "ordering agencies" will refer to all State departments and/or local governmental agencies eligible to utilize this contract. Ordering and/or usage instructions exclusive to State departments or local governmental agencies shall be identified within each article.

3. DGS ADMINISTRATIVE FEES

The DGS will bill each ordering department an administrative fee for use of this statewide contract. The administrative fee should NOT be included in the order total, nor remitted before an invoice is received from DGS.

For current fees, click on "DGS Price Book" at: <http://www.ofs.dgs.ca.gov/Price+Book/P/Purchasing.htm>.

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4. CONTRACT ADMINISTRATION

Both the State and the Contractor(s) have assigned contract administrators as the single points of contact for problem resolution and related contract issues.

State Contract Administrator: Carol Loscutoff
Address: DGS/Procurement Division
707 Third Street, 2nd Floor
West Sacramento, CA 95605
Telephone: (916) 375-4540
Facsimile: (916) 375-4613
E-Mail: carol.loscutoff@dgs.ca.gov

Contractor: Airgas NCN
Contract Administrator: Eric Wilt
Address: 6790 Florin Perkins Road #300
Sacramento, CA 95828-1812
Telephone: (916) 379-1000
Facsimile: (916) 381-0357
E-Mail: eric.wilt@airgas.com

5. PROBLEM RESOLUTION/SUPPLIER PERFORMANCE

Ordering agencies and/or Contractors shall inform the State Contract Administrator of any technical or contractual difficulties encountered during contract performance in a timely manner. This includes, and is not limited to, informal disputes, supplier performance, outstanding deliveries, etc.

For Contractor performance issues, ordering agencies must submit a completed [Supplier Performance Report](#) via email or facsimile to the State Contract Administrator identified in Article 4. The ordering agency should include all relevant information and/or documentation (i.e., purchase documents).

6. CONTRACT PRICING: AREAS 1-2, 5-12

All line item pricing is listed on Attachment A, Contract Pricing. The contract pricing is categorized under four (4) categories:

Group	Product
1	Medical Gases
2	Industrial Gases
3	Specialty Gases
4	Related Costs

All contract items are mandatory, there will be no exceptions.

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7. CONTRACT PRICING: AREA 4

All line item pricing is listed on Attachment A, Contract Pricing. The contract pricing is categorized under five (5) categories:

Group	Product
1	Medical Gases
2	Industrial Gases
3	Specialty Gases
4	Bulk Delivery
5	Related Costs

All contract items are mandatory, there will be no exceptions.

8. SPECIFICATIONS

The minimum purity of any gas offered must be equal to, or greater than, the stated purity on the contract price sheets. The gases shall be commercial grade, unless otherwise noted.

All items identified as for "medical use" shall be medical grade gases and must be manufactured at an FDA registered facility. All medical gases must meet United States Pharmacopeia (USP) and National Fire Prevention Association (NFPA) regulations.

9. PURCHASE EXECUTION

- A. State departments must use the Purchasing Authority Purchase Order (Std. 65) for purchase execution. An electronic version of the Std. 65 is available at the Office of State Publishing web site: <http://www.dgs.ca.gov/osp> (select Standard Forms).

All Purchasing Authority Purchase Orders (Std. 65) must contain the following:

- Agency Order Number (Purchase Order Number)
- Ordering Agency Name
- Agency Billing Code
- Purchasing Authority Number
- Leveraged Procurement Number (Contract Number)
- Supplier Information (Contact Name, Address, Phone Number, Fax Number, E-mail)
- Contract Line Item Number (CLIN)
- Quantity
- Unit of Measure
- Product Description
- Unit Price
- Extension Price

- B. Local governmental agencies may use their own purchase document for purchase execution. The purchase documents must include the same data elements as listed above (Exception: Purchasing Authority Number is used by State departments only). The Contractor will not accept purchase documents from local agencies without a State-issued billing code.

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C. All ordering agencies will submit a copy of executed purchase documents to:

DGS - Procurement Division (IMS# Z-1)
Attn: Data Entry Unit
707 Third Street, 2nd Floor North
West Sacramento, CA 95605-2811

10. ORDERING PROCEDURE

Ordering agencies are to submit appropriate purchase documents directly to the Contractor(s) via one of the following ordering methods:

- U.S. Mail
- Facsimile
- Email

The ordering information for the Contractor is listed below:

Company Name: Airgas NCN
Address: 6790 Florin Perkins Road, #300
Sacramento, CA 95828-1812
Facsimile: (800) 336-4004
Email: NCN.Customer.Service@airgas.com

When using any of the ordering methods, all State departments must conform to proper State procedures.

11. MINIMUM ORDER

There is no minimum order for this contract.

12. ORDER ACKNOWLEDGEMENT

The Contractor will provide the ordering agencies with an order receipt acknowledgement containing a unique order number either via e-mail or facsimile within 48 hours of receipt of order.

The acknowledgement will include:

- Ordering Agency Name
- Agency Order Number (Purchase Order Number)
- Breakdown of Cost by Contract Line Item Number
- Purchase Order Total Cost
- Delivery Completion Date

13. DELIVERY SCHEDULES

Delivery is to be completed in full within seven (7) days after receipt of order (ARO). Delivery shall be made to any State department or local agency within the counties defined as falling within Areas 1-2, 4-12.

Cylinders/dewars shall be delivered free of all transportation costs to the receiving dock of the agency specified, regardless of quantity, cylinder/dewar type, size, or weight.

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Note: In accordance with Paragraph 15 of the General Provisions entitled "Delivery," the Contractor shall strictly adhere to the delivery terms and completion schedule as specified in this bid. Failure to comply with the delivery requirements, as stated, may be considered a breach of contract and subject the Contractor to General Provisions 26, entitled "Rights and Remedies of the State for Default."

14. EMERGENCY/EXPEDITED ORDERS

Deliveries requested outside the regular working hours/days shall be considered an emergency. Emergency deliveries shall be F.O.B. Destination and must be delivered within twenty-four (24) hours after State notification. Ordering agencies shall hold the number of emergency deliveries to a minimum.

Note: There is a \$350.00 charge for Emergency Deliveries. (See Attachment A – Contract Pricing.)

Contractor contact for the 24-hour Emergency Delivery:

Contact Name: On-Call Agent
Telephone Number: (866) 332-5579

15. EMERGENCY SERVICES

Contractor must have Emergency Services available on a twenty-four (24) hour basis to service, repair, or replace Contractor-owned units. Service must be provided within a four (4) hour response time after ordering agency notification.

Note: There is a 350.00 charge for Emergency Services (See Attachment A -Contract Pricing.)

Contractor contact for the 24-hour Emergency Services:

Contact Name: On-Call Agent
Telephone Number: (866) 332-5579

16. CYLINDER/DEWAR PICKUP

When empty, pickup for cylinders/dewars that have been delivered by the Contractor to the department shall be provided at no additional cost to the State, F.O.B. department location. Contractor shall pick-up empties within seven (7) days of written notification by the State or at the next delivery date.

Cylinders in the departments' possession at time of contract expiration will be returned to the Contractor when empty, not when contract expires.

17. PICKUP/DELIVERY DOCUMENTATION

It shall be the responsibility of the Contractor to provide the following:

1. Document/track each cylinder/dewar and rental charges for each pickup/delivery.
2. Obtain signature of delivery driver for each pickup/delivery.
3. Obtain department personnel's signature confirming each pickup/delivery.

Any pickup/delivery documentation not reflecting both the Contractor and ordering agency personnel's signatures may not be used to substantiate any unreturned cylinders/dewars or unpaid rental charges. It shall be the Contractor's responsibility to substantiate any claims for unreturned cylinders, dewars, or unpaid rental charges by providing documentation.

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18. FREE ON BOARD (F.O.B.) DESTINATION

All prices are F.O.B. destination; freight prepaid by the Contractor, to the ordering agencies' receiving point. Responsibility and liability for loss or damage for all orders will remain with the Contractor until final inspection and acceptance, when all responsibility will pass to the ordering organization, except the responsibility for latent defects, fraud, and the warranty obligations.

19. SHIPPED ORDERS

All shipments must comply with General Provisions, Paragraph 12 entitled "Packing and Shipment". The General Provisions are available at: <http://www.documents.dgs.ca.gov/pd/modellang/GPIT0407.pdf>.

A. Material Safety Data Sheet

Contractor shall send a Material Safety Data Sheet for each applicable product to each State department or local agency to which the product is delivered. A Material Safety Data Sheet is supplied by the manufacturer of a substance and lists the manufacturer's name and address; the name, chemical and physical properties of the material; and the potential hazards, safeguards and procedures to follow in case of accident or overexposure. State Law (Labor Code Section 6360, et seq.) requires employees to have information regarding hazardous or potentially hazardous substances in the workplace on file or readily available to them.

B. Cylinder Labeling & Identification

All cylinders/dewars shall be affixed with a label identifying supplier's name, logo, and address to insure the correct cylinders/dewars are returned to the Contractor. Each cylinder/dewar must list contents and grade. Labels must be affixed to each cylinder/dewar. (String or wire attached tags will not be acceptable). All cylinders/dewars shall be marked, labeled, and shipped in accordance with the nationally recognized standards and in accordance with all parts of the Code of Regulations – D.O.T. Hazardous Materials Regulations 49 CFR, Parts 171-185, (6/2002) and NFPA Pamphlet 58, Standard for the Storage and Handling of Liquefied Petroleum Gases (2008), or most current versions.

20. CYLINDER/DEWAR RENTAL

Gases are to be shipped in "No Deposit" cylinders.

The Contractor shall provide a guaranteed thirty (30) days free from rental for each cylinder or dewar. Once the free thirty (30) days have been exhausted, the State will pay a month-end rate month of **\$5.00** for cylinders and **\$45.00** for dewars. (See Attachment A - Contract Pricing.) Ordering agencies will pay these rates in arrears rather than peak balance basis.

Rent shall cease to accrue the day of written notification from the department to pick up empties and shall encompass only the specific cylinders/dewars indicated in the notice.

Any State-owned cylinders/dewars shall be exempt from the monthly rental charges.

21. ALTERNATE CYLINDER SIZES

If the Contractor cannot provide a contract line item in the cylinder size contracted, an acceptable alternate cylinder size must be provided. The alternate cylinder size shall be priced at the same price per unit of measure for that contract gas. No additional fees, delivery, rental charges, etc. shall apply. The alternate

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cylinder size must be provided within 48 hours of department order placement, and must be acceptable to the ordering agencies.

22. WHOLESALE DIRECT DISTRIBUTION PERMIT

For medical gases, the Contractor must maintain a Wholesale Direct Distribution Permit issued by the California Board of Pharmacy.

Permit Number: WLS 4225

23. LOSS OF USE CYLINDER/DEWAR REPLACEMENT

Attachment B – Loss of Use Pricing provides a breakdown of the cost of replacement cylinders and dewars in case of loss by ordering agency.

24. QUALITY CONTROL

If quality problems are suspected, a technical representative shall be available within 48 hours of notification. In addition, the using agency may request an analysis by an independent laboratory, all at no additional cost to the State. Any damages due to non-compliant gases (i.e., contamination from improper gas formulations, mislabeled or defective cylinders) shall be the responsibility of the Contractor.

25. QUALITY ASSURANCE

Products not meeting all specified requirements will be deemed noncompliant to specifications and will be returned at Contractor's expense. Contractor shall replace all rejected non-compliant products with fully compliant new stock at no cost to the State within seven (7) days of notice of nonconformance.

26. RECALL PROCEDURES

The Contractor shall provide recall notification, regardless of level, in writing to the State Contract Administrator and each ordering department through the most expedient method possible. The notices, at a minimum, shall include a complete product description and/or identification, contract number, delivery order number, and disposition instructions. The Contractor shall issue replacement of product or credit for any product removed or recalled. Each ordering agency shall have the option of accepting either replacement product or credit in exchange for recalled/removed products.

27. INVOICING

Ordering agencies may require separate invoicing, as specified by each ordering organization. Invoices will contain the following information:

- Contractor's name, address and telephone number
- Leveraged Procurement Number (Contract Number)
- Agency Order Number (Purchase Order Number)
- Item and Contract Line Item Number (CLIN)
- Quantity purchased
- Contract price and extension
- State sales and/or use tax
- Prompt payment discounts/cash discounts, if applicable
- Totals for each order

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28. PAYMENT

Payment terms for this contract are net forty-five (45) days. Payment will be made in accordance with the provisions of the California Prompt Payment Act, Government Code Section 927, et seq. Unless expressly exempted by statute, the Act requires State departments to pay properly submitted, undisputed invoices not more than forty-five (45) days after the date of acceptance of goods, performance of services, or receipt of an undisputed invoice, whichever is later.

29. PAYEE DATA RECORD

Each State accounting office must have a copy of the Payee Data Record (Std. 204) in order to process payments. State departments should forward a copy of the Std. 204 to their accounting office(s). Without the Std. 204, payment may be unnecessarily delayed. Ordering departments should contact the Contractor for copies of the Payee Data Record.

30. CALIFORNIA SELLER'S PERMIT

The California seller permit number for the Contractor(s) is listed below. Ordering departments can verify that permits are currently valid at the following website: www.boe.ca.gov. State departments must adhere to the file documentation required identified in the State Contract Manual Volume 2 and Volume 3, as applicable.

Contractor Name	Seller Permit #
Airgas NCN	28-830203

31. RECYCLED CONTENT

There is no recycled content for this contract.

32. SMALL BUSINESS/DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION

The small business (SB) and disabled veteran business enterprise (DVBE) certification and percentages for the Contractor is listed below. Ordering departments can verify that the certifications are currently valid at the following website: <http://www.pd.dgs.ca.gov/smbus/default.htm>.

Name	OSDS Certification #	SB Percent (%)	DVBE Percent (%)
Airgas NCN	N/A	0%	0%

33. ATTACHMENTS

- Attachment A – Contract Pricing
- Attachment B – Loss of Use Pricing
- Attachment C – State of California 12 Area Map