

ADVERTISEMENT
REQUEST FOR PROPOSALS
FOR
NATURAL GAS SUPPLY SERVICES
UTILITIES DEPARTMENT
CITY OF GRAND ISLAND, NEBRASKA

Sealed proposals will be received by the **City Clerk's Office**, 100 E. First Street, Grand Island, NE 68801 until 4:00 p.m. (local time) on September 12, 2013 for **Natural Gas Supply Services, Utilities Department, City of Grand Island**. Proposals received after the specified time will be returned unopened to sender. Proposals must be based on the City's Request for Proposal. Contact Tim Luchsinger, Utilities Director, at (308) 385-5481, for further information.

The supplier shall be experienced with various real-time and integrated electric and natural gas markets as well as the resources to provide natural gas to the Department's Burdick Station.

The Supplier will be required to comply with fair labor standards and must meet City of Grand Island insurance requirements if the Supplier is required to perform work at any City facilities.

Proposals should list: professional qualifications necessary for satisfactory performance, specialized experience and technical competence in the type of work required, past performance on contracts with government agencies and private industry, and knowledge of the area. Proposals shall remain firm for a period of sixty (60) days after proposal due date. The City of Grand Island reserves the right to reject any or all proposals and to waive technicalities therein and accept whichever proposal that may be in the best interest of the City of Grand Island, at its sole discretion.

The City of Grand Island does not discriminate on the basis of disability in admission of its programs, services, or activities, in access to them, in treatment of individuals with disabilities, or in any aspect of their operations. The City of Grand Island also does not discriminate on the basis of disability in its hiring or employment practices.

This notice is provided as required by Title II of the Americans with Disabilities Act of 1990 and Section 504 of the Rehabilitation Act of 1973. Questions, complaints, or requests for additional information or accommodation regarding the ADA and Section 504 may be forwarded to the designated ADA and Section 504 compliance coordinator.

Mary Lou Brown
(308) 385-5444, extension 140
100 East First Street, Grand Island, NE 68801
Monday through Friday; 8:00 a.m. to 5:00 p.m.

RaNae Edwards, City Clerk

REQUEST FOR PROPOSALS

NATURAL GAS SUPPLY SERVICES Utilities Department City of Grand Island, Nebraska

Proposals

The Grand Island Utilities Department is soliciting proposals for Natural Gas Supply Services.

Proposals must be at the City of Grand Island City Clerk's office no later than 4:00 p.m. (local time), September 12, 2013. No exceptions to this deadline will be given. Please provide four (4) copies of your proposal in an envelope clearly marked on the exterior as containing "**Proposal for Natural Gas Supply Services, City of Grand Island** to:

City Clerk
Attn: RaNae Edwards
PO Box 1968
Grand Island, NE 68802

Firms interested in submitting proposals should contact Tim Luchsinger, Utilities Director, City of Grand Island, at (308) 385-5481, for any additional questions regarding the request for proposal.

In order to facilitate a review of the project proposals, the following information must be included in the proposal:

1. A letter of interest.
2. Organizational chart of key employees.
3. A narrative to include the approach to the requested services.
4. Experience with similar services.

Proposal Terms and Conditions

The City will not pay any costs incurred by the firm in preparing or submitting the proposal. Proposals must remain firm for sixty (60) days from the proposal due date. The City of Grand Island reserves the right to refuse any or all proposals that may be in the best interest of the City of Grand Island, at its sole discretion. The City of Grand Island will contact the selected Supplier after the proposals have been reviewed and ranked.

Negotiations shall be conducted in accordance with the City of Grand Island Procurement Requirements. This RFP does not constitute any form of offer to contract.

Gratuities and Kickbacks

City Code states that it is unethical for any person to offer, give, or agree to give any City employee or former City employee, or for any City employee or former City employee to solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, or preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore. It shall be unethical

for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order.

Fair Employment Practices

Each proposer agrees that they will not discriminate against any employee or applicant for employment because of age, race, color, religious creed, ancestry, handicap, sex or political affiliation.

LB403

Every public contractor and his, her or its subcontractors who are awarded a contract by the City for the physical performance of services within the State of Nebraska shall register with and use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska.

Section 504/ADA Notice to the Public

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DETAILED SPECIFICATIONS

SCOPE. The Grand Island Utilities Department (GIUD) will participate in the Southwest Power Pool (SPP) Integrated and Energy Imbalance Service (EIS) markets planned to begin in 2014. The GIUD participation is enabled through an agreement with an existing SPP Market Participant, Tenaska Power Services (TPS). Part of the GIUD generation resources that will be included in the SPP markets include the three steam turbine generators and three combustion turbine generators utilizing natural gas for fuel at the Department's Burdick Station.

BACKGROUND. The Grand Island Utilities Department is a municipally owned electric and water utility, with a summer peak demand in excess of 165 MW. The Electric Utility has traditionally served its load with a combination of local generation and power purchase agreements from outside generators; however, with the advent of the current regional market, load and generation requirements will be coordinated by SPP through the Integrated and EIS markets. In order to allow the Burdick units to participate in the IM and EIS markets, GIUD would like to retain the services of a natural gas supplier to assist in determining the daily natural gas availability and pricing for offering the Burdick units in to the marketplace, and provide the required natural gas should the units be dispatched by SPP.

SERVICE REQUIREMENTS. The following is a list of anticipated steps that will be required for a natural gas supplier to allow participation in the Integrated and EIS markets.

- 1) Communication with GIUD and TPS to project the anticipated natural gas price and availability for determining the Integrated Market offer price of the Burdick units prior to the 11:00 a.m. day-ahead SPP timeline.
- 2) Nomination of gas supplies at the 4:00 p.m. day-ahead SPP timeline should the generation offer price be accepted.
- 3) Communication with GIUD and TPS to project the anticipated natural gas price and availability for determining the EIS real-time offer price of the Burdick units, depending on the result of the SPP 4:00 IM notification.
- 4) Provide IM and EIS natural gas requirements to the Grand Island/KMIGT/Burdick Power Location 41000.
- 5) Monthly accounting and invoicing of natural gas used at the Burdick Station.

Monthly fees for the necessary daily services shall be provided in the proposal.

Contract terms shall be provided in the proposal. The proposal shall list the personnel that will be involved with the various steps and relevant experience in electric Integrated and EIS markets as well as gas supply markets. The proposal shall also include any capabilities, conditions, and restrictions for the delivery of natural gas to the Burdick Station meter station.

It is anticipated that this service agreement be for a nominal two-year term, with prescribed conditions for an annual extension, or cancellation, of the agreement by either party.

The effective date of the proposed agreement is October 1, 2013.

PROPOSAL EVALUATION. The proposals will be evaluated on the following criteria. Also indicated are the weighting factors which will be used in tabulating the evaluation scores.

1. Proposal Responsiveness (x 1)
2. Gas Delivery Resources (x 2)
3. Company Experience (x 2)
4. Personnel Experience (x 2)
5. Commercial Terms (x 1)