

LEXINGTON-FAYETTE URBAN COUNTY AIRPORT BOARD

REQUEST FOR PROPOSALS

to provide

NATURAL GAS

for

BLUE GRASS AIRPORT

DATED: March 12, 2023

NOTICE AND REQUEST FOR PROPOSALS

Notice is hereby given that the Lexington-Fayette Urban County Airport Board, hereinafter referred to as “Board,” pursuant to this Request For PROPOSALS (“RFP”) will accept Proposals from interested and qualified firms (“Proposer”) in providing natural gas supply for Blue Grass Airport. The contract will be administered by Blue Grass Airport staff on behalf of the Board.

The RFP’s will be reviewed and evaluated by the Selection Committee.

PROJECT CONTACT

For further information and copies of the RFP packet and all related documents, contact Ben Harward, Financial Controller, at (859) 425-3196 or bharward@bluegrassairport.com. This product is also available on the airport’s website at www.bluegrassairport.com. Response to all inquiries will be posted in an addendum on the airport’s website.

The Board reserves the right to reject any and all Proposal, or to accept any Proposal or any combination of Proposals, which it deems to be more advantageous to the public and to the Board. If the Board accepts any Proposal(s) pursuant to this RFP, an Agreement will be tendered to the selected Proposer(s) for execution.

RFP Close Date: In response to this request, RFP’s from interested bidders must be received via electronic mail to bharward@bluegrassairport.com no later than 4:00 PM EST, Thursday, March 30, 2023.

Billing Contact and Location:

Lexington-Fayette Urban County Airport Board
4000 Terminal Drive, Suite 206
Lexington, KY 40510
Attn. Accounts Payable

Commodity: Natural Gas and basis

Delivery Point: Columbia Gas of Kentucky Citygate
CKY – 18-12 Market Area
Utility Account #12986491-001

Usage:

<i>Service Locations</i>			
Account Location	Utility	Utility Account Number	Historical Average Annual Usage (Dth) (see exhibit A)
4000 Terminal Drive, Lexington, KY 40510	Columbia Gas of KY	12986491-001	Approx. 30,000

Requested Contract Term(s): Three contract terms are requested as follows: The Board will choose from one of the three options.

- Begin: November 1, 2023 – End: October 31, 2024 (12 months)
- Begin: November 1, 2024 – End: October 31, 2025 (24 months)
- Begin: November 1, 2025 – End: October 31, 2026 (36 months)
- Existing contract expires October 31, 2023

Billing:

1. **Terms:** 30 days from the invoice date (“due date”).
2. **Dual Billing:** One invoice from commodity/basis supplier; one invoice from local distribution utility

Pricing Format Requested (One quote with four terms):

- **Fixed Basis Price, including: (*Please list question # and response in RFP*)**
 1. Commodity charge per contract monthly quantities (see Exhibit A for quantities). Please state how commodity charge will be calculated.
 2. Basis charge
 3. Swing percentage (or amount)
 4. Utility line losses as applicable, including applicable pipeline retainage
 - Final price needs to include *all costs* to deliver firm supply to Columbia Gas of Kentucky, Market Area 18-12 city gate.
 - Local utility distribution charges are excluded and are the responsibility of the Buyer.
- *** Please specify if there are any exclusions from the proposed pricing including, but not limited to, fixed price conversion fees and pipeline fuel/losses. *****
5. **Volumetric Tolerance:** Please state your monthly swing % (or fixed monthly swing amount) and gas settlement adjustment for gas deliveries in excess of or less than the swing. If incremental charges will be billed for monthly volumes delivered which exceed or fall below a delivery tolerance percentage or amount, please specify the tolerance and the pricing mechanism that will be applied for the incremental charges. Be specific!
 6. **Balancing Service Interruptions:** Please specify operational procedures for Columbia Gas of Kentucky Balancing Service Interruptions and the impact of such events on invoices. It is LFCUAB’s expectation that the supplier will provide LFCUAB timely notice regarding Balancing events and take necessary steps to ensure LFCUAB’s compliance during such events. LFCUAB strives to clearly understand Balancing Service Interruptions and the impact, if any, to an invoice.
 7. **Fixed Future Commodity Charges:** Please specify your terms and conditions for the buyer to purchase future blocks of Commodity. State amount (if any) added to NYMEX trigger pricing.
 8. **Contract Renewal or Termination Terms:** Please state the terms upon which this contract may be renewed or terminated by either party
 9. **Contract Charges:** If bid is submitted by a broker or third-party supplier, please disclose any and all costs charged by or paid to the broker/third-party, and pricing mechanism used to recover these costs. **Please include your fees in the pricing you submit.**
 10. **Sample Invoice:** Please submit a sample invoice with your quote (unless a current invoice exists). Include all charges and the format that would be used on our invoices.
 11. **Sample Contract for Review:** Please submit a copy of the proposed form of agreement for the RFP (unless a currently effective Base Agreement between Supplier and Client exists). Please note that agreements are subject to legal and board review. The board will prepare the final agreement.

Submissions not including this information may be rejected.

- All responses will be evaluated by Lexington-Fayette Urban County Airport Board.
- The winning Bidder will be selected based upon a review of supplier's pricing, service history, reliability, financial condition, sample contract terms and compliance with the above factors.
- LFUCAB may seek further information and/or clarification prior to making a final decision.
- LFUCAB reserves the right to reject any and all Bids received.
- LFUCAB intends to award the contract as soon as possible after all Bids are received.

All Proposals (including, but not limited to, pricing and term) submitted to LFUCAB for consideration shall be considered valid offers until such time as the Bid is awarded unless a specific time frame is stated by Proposer.

EXHIBIT A

Blue Grass Airport Natural Gas Usage/Delivery History	
Month	4-Year Average Dth.
November	2,794
December	4,540
January	5,766
February	5,523
March	3,240
April	1,593
May	516
June	245
July	226
August	305
September	302
October	1,067
Avg. Annual Requirement	26,117