

ADDENDUM NO. 01

CITY OF FAIRHOPE

RFP No. 001-18 Natural Gas Leakage Survey

****Please discard pages 3 thru 7 (Background and Purpose) replace with Background and Purpose rev1**

****Please remove and discard page 14 of RFP RESPONSE SHEET**

The following questions have been submitted by potential responders and answers have been provided by the Director of Operations, Richard Peterson and the Compliance Officer., Wes Boyett.

Question #1: Our firm does a firm fixed price on the mile and services, how would you like us to put that on the proposal form?

Answer #1: Please find the 2017 Annual Report for the Gas Distribution System attached to this addendum. The system has approximately 553 miles main and 14,095 services of which 13,116 are active. Also, please find revised definitions for pricing.

Question #2 Where are the meters located? (behind gates, in front of house, alley, side of house, etc.)

Answer #2: Meters are located "in most cases" located on either side of the house although we have a portion that are located in the rear of the house very few are positioned on the front.

Question #3 What is the approximate length of a service

Answer #3 The average service in our system is 150 ft.

Question #4 How long does the survey typically take?

Answer # 4 This will be the first time the leak survey has been done by a third party so a time frame is unknown. In the past the survey has been done inhouse and in sections.

Question #5 Start Date?

Answer #5 Start date will be as quickly as it is approved by City Council and the 2019 budget is passed.

Question #6 Do you currently supply a guide for your current contractor? If so can we complete without a guide?

Answer #6 There is no current contractor, but a meeting will be held to create a plan of progression once a selection has been made. A guide will be provided for you throughout the survey.

Bidders are to sign and include signed Addendum No.1 with submitted bid documents.

Acknowledged:

Company

By

Purchasing Clerk
City of Fairhope
Posted: 9-28-18

BACKGROUND AND PURPOSE rev2

The City of Fairhope (the City) is a municipal government, which, in addition to its traditional governmental functions, operates several departments classified as "public utilities". These include a natural gas system. While City continually conducts leak surveys in normal day to day operations, we are required to conduct a formal walking leak detection and atmospheric corrosion survey of the system annually per Title 49 Part 192.723 of the Code of Federal Regulations.

The City of Fairhope owns and operates a Natural Gas system that dates back to the 1950's. The system is comprised of approx. 553 miles of distribution mains and over 13,100 active gas meters. The city operates its system at two pressures, 200 psi. and 20 psi. portions of the system are comprised of P.E, steel and cast iron.

SCOPE OF SERVICES

City of Fairhope Gas Department seeks a vendor to perform a leak detection survey and inspections of gas mains, services, and meters at customer locations in accordance with Title 49 Part 192 of the Code of Federal Regulations. Inspections include: atmospheric corrosion inspections, recording condition of all above ground pipeline facilities used in the distribution of gas, including metallic line pipe, valves and other appurtenances connected to the service line pipe, assemblies and residential, commercial and metering stations. Regulator inspections include recording regulator location, positioning and protection whenever applicable.

Prior to commencement of any survey work, the vendor will supply City of Fairhope Gas Department with:

1. User manuals for all leak detection equipment utilized to perform surveys (paper copies or electronic versions are acceptable). The manual must include and have highlighted the manufacturer's recommended calibration cycle.
2. The vendor must provide City of Fairhope Gas Department with calibration documentation for all leak detection equipment prior to utilizing the equipment to perform leak survey and monthly thereafter. Calibration must be performed on a schedule that does not exceed the manufacturer's recommended calibration cycle.
3. Proof of training and quarterly PHMSA Drug & Alcohol statistics reports must be submitted with the proposal and prior to any new employee being added to the survey team performing the work.

All surveys are to be completed during regular working hours of 7:00AM to 4:00PM, Monday through Friday. Survey teams will be provided one set of contractor signs per vehicle for identification. Contractor signs must be on vehicles at all times. If signs are lost or stolen, the City must be notified and will provide replacement signs. The cost of said signs will be billed to the contractor. All survey personnel will be OQ certified per the Code of Federal Regulations and B31Q utilizing the Energy WorldNet Operator Qualification system

Contractor will be required to make a good faith effort to reach all locations with a minimum of two (2) attempts. Incomplete surveys in excess of 2% of the total services may be charged liquidated damages based on the contractor daily rate times the average services surveyed per day. All survey work shall be performed as requested by the City and in accordance with the following specifications. Please see the attached map showing the service territory.

1. The survey for business districts must be performed as required by Federal and State code one (1) time per calendar year. Maps will be provided in electronic version.
2. All surveys must be completed in accordance with City of Fairhope Gas Department completion deadlines.
3. Survey personnel must have a dependable cell phone. A non-proprietary digital record must be provided to City of Fairhope Gas Department at the end of the survey. The City of Fairhope can provide data import.
4. All leak survey and gas measurement equipment and methods must be approved by City of Fairhope Gas Department. The survey firm shall provide all leak detection and gas measurement equipment as needed to perform the survey including a remote methane detector (or equivalent) to allow for survey of hard to access locations.
5. All survey personnel shall wear a shirt or vest with the survey firm's logo or name visible for easy identification.
6. All survey personnel shall maintain proper liaison with property owners while performing survey work on public rights-of-way or private property and shall represent the City in a courteous and professional manner at all times.
7. During the term of this agreement, all materials and information furnished electronically or otherwise disclosed to the survey firm by the City in the performance of this agreement shall remain the property of the City. All copies of such information shall be returned to the City upon the termination of this agreement. Unless such materials were previously known to the vendor free of any obligation to keep them confidential, or subsequently made public by the City, such materials shall be kept confidential by the vendor, shall be used only in the performance of services under this agreement and may not be used for any other purpose except as may be agreed upon in writing by the City. This obligation of confidentiality shall survive the termination of this agreement.
8. The survey firm is solely responsible for all safety initiatives necessary for survey personnel.
9. Each leak sited will be graded, reported and documented. Any Grade 1 leak must be reported to City of Fairhope Gas Department Dispatch immediately upon determination and a leak ticket number will be provided. Gas to air percentage readings and other required data for leak documentation will be recorded. In the event of a Grade 1 leak, leak survey personnel will take appropriate action(s) to ensure their safety and the safety of the public and remain on site until Fairhope Gas Department personnel arrive.
10. When surveying service lines, survey personnel are required to observe and record the condition of each meter set and any above ground piping on the distribution side of the meter.

PROPOSAL REQUIRMENTS

1. Include a brief history of the firm, your most recent statement of financial condition and a brief summary of a statement of qualification.
2. Define firm's overall approach to the items of work; survey procedures, methods to be used,

equipment to be used, and general scope of work.

3. Document firm's experience in performing similar work including management capacity and system for coordinating the project.

4. Provide the OQ qualifications of the personnel, quarterly PHMSA Drug & Alcohol statistics reports and their work history.

5. Provide the leak survey device(s) to be used and tablet/computer device to be used to access the work management system.

6. Provide pricing as explained in EVALUTATION OF PROPOSAL

NUMBER OF COPIES REQUIRED

One (1) original and one (1) electronic copy on flash drive or CD shall be submitted in a single proposal package.

EVALUATION OF PROPOSAL

The following criteria will be considered when selecting a firm:

1. History of Firm (20 points)

- a. Total number of years in business;
- b. Previous projects similar to project proposed;
- c. History of firm performing leak surveys with natural gas utilities.

2. Composition and Qualifications of Staff (15 points)

- a. Number of employees;
- b. OQ qualification of individual staff members;
- c. Quarterly PHMSA Drug & Alcohol statistics reports;
- d. Experience and training procedures.

3. Project Approach (30 points)

- a. Management capacity and system for coordinating work;
- b. Survey procedures, methods, scope of work, equipment used;
- c. Computer/tablet devices;
- d. Other items.

4. Price (35 points)

- a. Prices may be broken down in any way convenient to the Responder. Fairhope Utilities desires a comparable format for all responders.

b. Prices submitted by the hour should be qualified with an approximate average for anticipated hours required per mile of survey performed on a gas main and an approximate average numbers of services per hour to be performed for the project.

c. Prices submitted by the mile and by the service should be qualified with an approximate number of hours per mile of survey with mains and an approximate number of services surveyed per hour.

(100 points total)

GENERAL INSTRUCTIONS

The City of Fairhope is not liable for any costs incurred by the respondents in preparing for or responding to this request.

INSURANCE AND INDEMNIFICATION

Before starting and until termination of work for, or on behalf of, the City, the Vendor shall procure and maintain insurance of the types and to the limits specified.

The term City as used in this section of the requirements is defined to mean the City of Fairhope itself, any subsidiaries, or affiliates, elected and appointed officials, employees, volunteers, representatives and

agents. Insurance shall be issued by an insurer whose business reputation; financial stability and claims payment reputation is satisfactory to the City, for the City's protection only. Unless otherwise agreed, the amounts, form and type of insurance shall conform to the following minimum requirements:

WORKERS' COMPENSATION

The Vendor shall purchase and maintain Workers' Compensation Insurance Coverage for all Workers' Compensation obligations legally required. Additionally, the policy, or separately obtained policy, must include:

Employers Liability Coverage of at least \$1,000,000 each person - accident, \$1,000,000 each person - disease, \$1,000,000 aggregate - disease.

COMMERCIAL GENERAL LIABILITY, BUSINESS AUTO, AND UMBRELLA LIABILITY

The Vendor shall purchase coverage on forms no more restrictive than the latest editions of the Commercial General Liability and Business Auto policies filed by the Insurance Services Office. The City shall be an Additional Insured on the General/Umbrella liability coverage and such coverage shall be at least as broad as that provided to the Named Insured under the policy for the terms and conditions of this Contract. The City shall not be considered liable for premium payment, entitled to any premium return or dividend and shall not be considered a member of any mutual or reciprocal company. Minimum limits of \$1,000,000 per occurrence, and per accident, combined single limit for liability must be provided at all times, with umbrella insurance coverage making up any difference between the policy limits of underlying policies coverage and the total amount of coverage required. If the required limits of liability afforded should become impaired by reason of any claim, then the Vendor agrees to have such limits of \$1,000,000 per occurrence, reinstated under the policy.

Commercial General Liability coverage must be provided, including bodily injury and property damage liability for premises, operations, products and completed operations, contractual liability, and independent contractors. The coverage shall be written on occurrence-type basis. Minimum

limits of \$1,000,000 per occurrence.

Business Auto Policy coverage must be provided, including bodily injury and property damage arising out of operation, maintenance or use of owned, non-owned and hired automobiles.

Minimum limits of \$1,000,000 Combined Single Limit.

Umbrella Liability Insurance coverage shall not be more restrictive than the underlying insurance policy coverage. The coverage shall be written on an occurrence-type basis.

CERTIFICATES OF INSURANCE

Required insurance shall be documented in the Certificates of Insurance that provide that the City of Fairhope shall be notified at least thirty (30) days in advance of cancellation, nonrenewal or adverse change or restriction in coverage. The City of Fairhope shall be named on each General Liability Certificate as an **Additional Insured** and this Contract shall be listed. The Vendor shall furnish copies of the Vendor's insurance policies, forms, endorsements, jackets and other items forming a part of, or relating to such policies. Certificates shall be on the "Certificate of Insurance" form equal to, as determined by the City an ACORD 25. Any wording in a Certificate which would make notification of cancellation, adverse change or restriction in coverage to the City an option shall be deleted or crossed out by the insurance carrier or the insurance carrier's agent or employee. The Vendor shall replace any canceled, adversely changed, restricted or non-renewed policies with new policies acceptable to the City and shall file with the City Certificates of Insurance under the new policies prior to the effective date of such cancellation, adverse change or restriction. If any policy is not timely replaced, in a manner acceptable to the City, the Vendor shall, upon instructions of the City, cease all operations under the Contract until directed by the City, in writing, to resume operations.

INSURANCE OF THE VENDOR PRIMARY

The Vendor's required coverage shall be considered primary, and all other insurance shall be considered as excess, over and above the Vendor's coverage. The Vendor's policies of coverage will be considered primary as relates to all provisions of the Contract.

LOSS CONTROL

The Vendor shall retain control over its employees, agents, servants and subcontractors, as well as control over its invitees, and its activities on and about the subject premises and the manner in which such activities shall be undertaken and to that end, the Vendor shall not be deemed to be an agent of the City. Precaution shall be exercised at all times by the Vendor for the protection of all persons, including employees, and property. The Vendor shall make special effort to detect hazards and shall take prompt action where loss control/safety measures should reasonably be expected.

HOLD HARMLESS

The Vendor shall indemnify and hold harmless the City of Fairhope, its officers and employees, from any and all liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to

the extent caused by the negligence, recklessness or intentional wrongful misconduct of the Vendor and persons employed or utilized by the Vendor in the performance of this contract. The Vendor's obligation shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance.

PAY ON BEHALF OF THE CITY

The Vendor agrees to pay on behalf of the City, as well as provide a legal defense for the City, both of which will be done only if and when requested by the City, for all claims as described in the Hold Harmless paragraph. Such payment on the behalf of the City shall be in addition to any and all other legal remedies available to the City and shall not be considered to be the City's exclusive remedy.

No PROPOSALS will be considered unless the CONTRACTOR, whether resident or non-resident of Alabama, is properly qualified to submit a proposal for this type of work in accordance with all applicable laws of the State of Alabama. Where applicable, this shall include evidence of holding a current license from the State Licensing board for General CONTRACTORS, Montgomery, Alabama, as required by Chapter 8 of Title 34, of the Code of Alabama, 1975. In addition, the contracted provider, if non-resident of the State, and if a corporation, shall show evidence of having qualified with the Secretary of State to do business in the State of Alabama <http://sos.alabama.gov/business-entities>; CONTRACTOR must have a current business license or purchase a business license with the City of Fairhope prior to work performed. No proposals shall be withdrawn for the period of thirty (30) days subsequent to the opening of proposals without the consent of the City of Fairhope, Baldwin County, Alabama. Once completed, a tabulation of the responsive and responsible bids will be available for public viewing on the City of Fairhope's website, www.fairhopeal.gov.

Item

NOTICE: This report is required by 49 CFR Part 191. Failure to report can result in a civil penalty not to exceed 100,000 for each violation for each day that such violation persists except that the maximum civil penalty shall not exceed \$1,000,000 as provided in 49 USC 60122.

OMB NO: 2137-0629
EXPIRATION DATE: 1/31/2018



U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration

Initial Date Submitted:	03/30/2018
Form Type:	INITIAL
Date Submitted:	

ANNUAL REPORT FOR CALENDAR YEAR 2017 GAS DISTRIBUTION SYSTEM

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2137-0629. Public reporting for this collection of information is estimated to be approximately 16 hours per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, PHMSA, Office of Pipeline Safety (PHP-30) 1200 New Jersey Avenue, SE, Washington, D.C. 20590.

Important: Please read the separate instructions for completing this form before you begin. They clarify the information requested and provide specific examples. If you do not have a copy of the instructions, you can obtain one from the PHMSA Pipeline Safety Community Web Page at <http://www.phmsa.dot.gov/pipeline/library/forms>.

PART A - OPERATOR INFORMATION	(DOT use only)	20188959-36177
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1. Name of Operator	FAIRHOPE GAS SYSTEM, CITY OF
2. LOCATION OF OFFICE (WHERE ADDITIONAL INFORMATION MAY BE OBTAINED)	
2a. Street Address	555 S. SECTION ST.
2b. City and County	FAIRHOPE Baldwin
2c. State	AL
2d. Zip Code	36532
3. OPERATOR'S 5 DIGIT IDENTIFICATION NUMBER	5040
4. HEADQUARTERS NAME & ADDRESS	
4a. Street Address	555 SOUTH SECTION STREET
4b. City and County	FAIRHOPE
4c. State	AL
4d. Zip Code	36532
5. STATE IN WHICH SYSTEM OPERATES	AL
6. THIS REPORT PERTAINS TO THE FOLLOWING COMMODITY GROUP (Select Commodity Group based on the predominant gas carried and complete the report for that Commodity Group. File a separate report for each Commodity Group included in this OPID.)	
Natural Gas	
7. THIS REPORT PERTAINS TO THE FOLLOWING TYPE OF OPERATOR (Select Type of Operator based on the structure of the company included in this OPID for which this report is being submitted.):	
Municipal Owned	

PART B - SYSTEM DESCRIPTION

1.GENERAL	STEEL				PLASTIC	CAST/ WROUGHT IRON	DUCTILE IRON	COPPER	OTHER	RECONDITION ED CAST IRON	SYSTEM TOTAL
	UNPROTECTED		CATHODICALLY PROTECTED								
	BARE	COATED	BARE	COATED							
MILES OF MAIN	0	0	0	287	250	16	0	0	0	0	553
NO. OF SERVICES	1108	0	0	4521	8460	0	0	0	0	0	14089

2.MILES OF MAINS IN SYSTEM AT END OF YEAR											
MATERIAL	UNKNOWN	2" OR LESS	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8" THRU 12"	OVER 12"	SYSTEM TOTALS				
STEEL	0	144	51	92	0	0	287				
DUCTILE IRON	0	0	0	0	0	0	0				
COPPER	0	0	0	0	0	0	0				
CAST/WROUGHT IRON	0	0	16	0	0	0	16				
PLASTIC PVC	0	0	0	0	0	0	0				
PLASTIC PE	0	250	0	0	0	0	250				
PLASTIC ABS	0	0	0	0	0	0	0				
PLASTIC OTHER	0	0	0	0	0	0	0				
OTHER	0	0	0	0	0	0	0				
RECONDITIONED CAST IRON	0	0	0	0	0	0	0				
TOTAL	0	394	67	92	0	0	553				
Describe Other Material:											
3.NUMBER OF SERVICES IN SYSTEM AT END OF YEAR											
					AVERAGE SERVICE LENGTH: 150						
MATERIAL	UNKNOWN	1" OR LESS	OVER 1" THRU 2"	OVER 2" THRU 4"	OVER 4" THRU 8"	OVER 8"	SYSTEM TOTALS				
STEEL	0	5635	0	0	0	0	5635				
DUCTILE IRON	0	0	0	0	0	0	0				
COPPER	0	0	0	0	0	0	0				
CAST/WROUGHT IRON	0	0	0	0	0	0	0				
PLASTIC PVC	0	0	0	0	0	0	0				
PLASTIC PE	0	8460	0	0	0	0	8460				
PLASTIC ABS	0	0	0	0	0	0	0				
PLASTIC OTHER	0	0	0	0	0	0	0				
OTHER	0	0	0	0	0	0	0				
RECONDITIONED CAST IRON	0	0	0	0	0	0	0				
TOTAL	0	14095	0	0	0	0	14095				
Describe Other Material:											
4.MILES OF MAIN AND NUMBER OF SERVICES BY DECADE OF INSTALLATION											
	UNKNOWN	PRE-1940	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000-2009	2010-2019	TOTAL

MILES OF MAIN	0	0	0	45	25	192	49	128	70	46	555
NUMBER OF SERVICES	0	0	0	1812	1498	818	864	3216	2553	3334	14095

PART C - TOTAL LEAKS AND HAZARDOUS LEAKS ELIMINATED/REPAIRED DURING THE YEAR

CAUSE OF LEAK	MAINS		SERVICES	
	TOTAL	HAZARDOUS	TOTAL	HAZARDOUS
CORROSION FAILURE	0	0	0	0
NATURAL FORCE DAMAGE	0	0	0	0
EXCAVATION DAMAGE	37	0	67	0
OTHER OUTSIDE FORCE DAMAGE	0	0	0	0
PIPE, WELD OR JOINT FAILURE	0	0	4	0
EQUIPMENT FAILURE	1	0	19	0
INCORRECT OPERATIONS	0	0	1	0
OTHER CAUSE	0	0	4	0

NUMBER OF KNOWN SYSTEM LEAKS AT END OF YEAR SCHEDULED FOR REPAIR : 0

PART D - EXCAVATION DAMAGE

1. TOTAL NUMBER OF EXCAVATION DAMAGES BY APPARENT ROOT CAUSE: 84

- a. One-Call Notification Practices Not Sufficient: 58
- b. Locating Practices Not Sufficient: 6
- c. Excavation Practices Not Sufficient: 7
- d. Other: 13

2. NUMBER OF EXCAVATION TICKETS : 16461

PART E - EXCESS FLOW VALUE (EFV) AND SERVICE VALVE DATA

Total Number Of Services with EFV Installed During Year: 492

Estimated Number Of Services with EFV In the System At End Of Year: 3984

* Total Number of Manual Service Line Shut-off Valves Installed During Year: 0

* Estimated Number of Services with Manual Service Line Shut-off Valves Installed in the System at End of Year: 0

**These questions only pertain to reporting years 2017 & beyond.*

PART F - LEAKS ON FEDERAL LAND

TOTAL NUMBER OF LEAKS ON FEDERAL LAND REPAIRED OR SCHEDULED TO REPAIR: 0

PART G-PERCENT OF UNACCOUNTED FOR GAS

UNACCOUNTED FOR GAS AS A PERCENT OF TOTAL INPUT FOR THE 12 MONTHS ENDING JUNE 30 OF THE REPORTING YEAR.

INPUT FOR YEAR ENDING 6/30: 6.93%

PART H - ADDITIONAL INFORMATION

In 2017, the City of Fairhope billing system changed from a Legacy AS-400 system to a Enterprise Network "MUNIS" software system. We recognize a 6.93% unaccounted volume in gas loss is recorded and believe some is due to the billing system change where accounts were not completely transferred over to the new system, but we also think we have some meter accuracy issues that we are more focused on finding in 2018. We do not believe there are any significant leaks that are undetected in the system as we are in a well populated area of Baldwin county and leaks would be reported as all of our Natural Gas contains odorant. The reported unaccounted gas number does not take into account any +/- adjustments due to meter accuracy.

PART I - PREPARER

John Boyett, Compliance Manager (Preparer's Name and Title)	(251) 928-8003 (Area Code and Telephone Number)
wes.boyett@fairhopeal.gov (Preparer's email address)	(251) 990-0156 (Area Code and Facsimile Number)