



CONTRACT RENEWAL

#4590-18-DH

Date: December 12, 2018

Supplier: AM Gas Marketing Corp.

Project: 3rd Year Contract Renewal for 3rd Party Natural Gas Services

Congratulations, you have been awarded the 3rd year renewal option for contract #4590-18-DH 3rd Party Natural Gas Services, dated December 12, 2018.

The Contractor shall provide to City of Grand Junction the products and/or services set forth in the Contract Documents dated August 1, 2016 for Solicitation No. RFP-4183-16-DH for 3rd Party Natural Gas Services – City Only, as per the original contract documents. This renewal shall cover the entire 2019 calendar year.

CITY OF GRAND JUNCTION, COLORADO

DocuSigned by:
Duane Hoff Jr., Senior Buyer - City of Grand Junction
9F769E7C90F138E

Duane Hoff Jr., Senior Buyer

SUPPLIER ACKNOWLEDGEMENT

Receipt of this Contract Renewal is hereby acknowledged:

Contractor: A M Gas Marketing Corp.

By: DocuSigned by:
Barton J. Levin, President - A M Gas Marketing Corp.
808B88E5A874AA

Title: President

Date: 12/17/2018 | 08:52 MST



CONTRACT RENEWAL

#4413-17-DH

Date: September 5, 2017

Supplier: AM Gas Marketing Corp.

Project: 2nd Year Contract Renewal for 3rd Party Natural Gas Services

Congratulations, you have been awarded the 2nd year renewal option for contract #4413-17-DH 3rd Party **Natural Gas Services**, dated September 5, 2017.

The Contractor shall provide to City of Grand Junction the products and/or services set forth in the Contract Documents dated August 1, 2016 for Solicitation No. RFP-4183-16-DH for 3rd Party Natural Gas Services – City Only, as per the original contract documents. This renewal shall cover the entire 2018 calendar year.

CITY OF GRAND JUNCTION, COLORADO

Duane Hoff

9E789E7D50F148C...

Duane Hoff Jr., Senior Buyer

SUPPLIER ACKNOWLEDGEMENT

Receipt of this Contract Renewal is hereby acknowledged:

Contractor: DocuSigned by: A M Gas Marketing Corp.

By: Barton J. Levin, President - A M Gas Marketing Corp.
Barton J. Levin, President - A M Gas Marketing Corp.

805BE68E5A874AA...

Title: President

Date: 9/6/2017 | 08:40 MDT



LETTER OF INTENT

Date: May 20, 2016
Company: A M Gas Marketing Corp.
Project: 3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County
RFP-4183-16-DH

Based upon review of the proposals received for Request for Proposals RFP-4183-16-DH 3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County, your company has been selected as the preferred proposer for the City of Grand Junction and Mesa County. It is the intent of the City of Grand Junction and Mesa County to award the aforementioned contracts (there will be a separate contract from each entity) to your company as listed in the SOQ document(s) and your proposal response, for the rates as submitted for one-tier pricing.

This project must be approved by the City of Grand Junction, City Council for City contract, and the Mesa County Board of County Commissioners for County contract, prior to contract awards. The projected City Council meeting date for approval is June 15, 2016. The projected Grand Junction Regional Airport Authority meeting date is TBD.

Once approved, by both entities, in addition to a signed contract, you will need to provide your Certificate of Insurance as per the solicitation documents.

Please feel free to contact me with any questions at 970-244-1545.

Thank you and Best Regards

A handwritten signature in black ink, appearing to read "Duane Hoff Jr.", is written over a horizontal line.

Duane Hoff Jr., Senior Buyer



CITY OF GRAND JUNCTION, COLORADO

CONTRACT

This CONTRACT made and entered into this 1st day of August, 2016 by and between the City of Grand Junction, Colorado, a government entity in the County of Mesa, State of Colorado, hereinafter in the Contract Documents referred to as the "Owner" and A M Gas Marketing Corp hereinafter in the Contract Documents referred to as the "Contractor."

WITNESSETH:

WHEREAS, the Owner advertised that sealed Responses would be received for furnishing all labor, tools, supplies, equipment, materials, and everything necessary and required for the Project described by the Contract Documents and known as 3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County RFP-4183-16-DH.

WHEREAS , the Contract has been awarded to the above named Contractor by the Owner for services to be provided for City of Grand Junction only, and said Contractor is now ready, willing and able to perform the Services specified in the Notice of Award , in accordance with the Contract Documents for the following facilities/locations:

Facilities Currently Serving for this Contract:

- Two Rivers Convention Center, 159 Main Street, Premise 300848994, PSCO Meter No. 1309007
- Persigo Building #6 , 2145 River Road, Premise 301340604, PSCO Meter No. 10004154
- Orchard Mesa Pool, 2736 C Road, Premise 300680488, PSCO Meter 10008276
- City Hall, 250 North 5th Street, Premise 300090848 , Meter C1298873
- USS Operations, 333 West Avenue, Bldg A, Premise 301920707 , Meter A629164
- CNG Station, 333 West Avenue, Premise 304235086, Meter 10005474
- Fleet Service Center, 333 West Avenue Bldg C, Premise 301949019 , Meter 10003425
- Persigo Ops 2145 River Road, Unit TRTM-4, Premise 301944090, Meter AGJ12297;

Facilities for possible additions to this Contract (at Owner's Option)

- Public Safety Building, 555 Ute Ave, PSCO Meter 10006369
- Persigo Anaerobic Digester, 2145 River Road, PSCO Meter 10003525
- Avalon Theater, 645 Main Street, PSCO Meter 10008515
- Persigo Headworks, 2145 River Road, PSCO Meter 20311378
- Rockies Locker Room, 1315 North Ave, PSCO Meter 10006628
- Stadium Tower/Hospitality Suite, 1307 North Ave, PSCO Meter 10006631
- Tiara Rado Operations, 2057 S. Broadway, PSCO Meter R933031
- Lincoln Park Swimming Pool, Premise 300151604, Meter A884961

NOW, THEREFORE, in consideration of the compensation to be paid the Contractor, the mutual covenants hereinafter set forth and subject to the terms hereinafter stated, it is mutually covenanted and agreed as follows:

ARTICLE 1

Contract Documents: It is agreed by the parties hereto that the following list of instruments, drawings, and documents which are attached hereto, bound herewith, or incorporated herein by reference constitute and shall be referred to either as the "Contract Documents" or the "Contract", and all of said instruments, drawings, and documents taken together as a whole constitute the Contract between the parties hereto, and they are fully a part of this agreement as if they were set out verbatim and in full herein:

The order of contract document governance shall be as follows:

- a. The body of this contract agreement
- b. Solicitation Documents for the Project; **3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County;**
- c. Intent to Award
- d. Contractors Response to the Solicitation
- e. Service Change Requests (directing that changed services be performed);
- f. Change Orders.

ARTICLE 2

Definitions: The clauses provided in the Solicitation apply to the terms used in the Contract and all the Contract Documents.

ARTICLE 3

Contract Services: The Contractor agrees to furnish all labor, tools, supplies, equipment, materials, and all that is necessary and required to complete the tasks associated with the Services described, set forth, shown, and included in the Contract Documents as indicated in the Solicitation Document.

ARTICLE 4

Contract Time: Time is of the essence with respect to this Contract. The Contractor hereby agrees to commence Services under the Contract on or before the date specified in the Solicitation from the Owner.

ARTICLE 5

Contract Price and Payment Procedures: The Contractor shall accept as compensation for the performance and completion of all of the Services specified in the Contract Documents:
-April through October: NWROX plus \$.19 per dth plus Pipeline Fees plus Fuel.
-November through March: NWROX plus \$.24 per dth plus Pipeline Fees plus Fuel.
as submitted by the Contractor in their proposal for each facility/location being serviced. If this Contract contains unit price pay items, the Contract Price shall be adjusted in accordance with the actual quantities of items completed and accepted by the Owner at the unit prices quoted in the Solicitation Response. The amount of the Contract Price is and

has heretofore been appropriated by the Grand Junction City Council for the use and benefit of this Project. The Contract Price shall not be modified except by Change Order or other written directive of the Owner. The Owner shall not issue a Change Order or other written directive which requires additional services to be performed, which service causes the aggregate amount payable under this Contract to exceed the amount appropriated for this Project, unless and until the Owner provides Contractor written assurance that lawful appropriations to cover the costs of the additional services have been made.

Unless otherwise provided in the Solicitation, monthly partial payments shall be made as the Services progress. Applications for partial shall be prepared by the Contractor and approved by the Owner in accordance with the Solicitation.

ARTICLE 6

Contract Binding: The Owner and the Contractor each binds itself, its partners, successors, assigns and legal representatives to the other party hereto in respect to all covenants, agreements and obligations contained in the Contract Documents. The Contract Documents constitute the entire agreement between the Owner and Contractor and may only be altered, amended or repealed by a duly executed written instrument. Neither the Owner nor the Contractor shall, without the prior written consent of the other, assign or sublet in whole or in part its interest under any of the Contract Documents and specifically, the Contractor shall not assign any moneys due or to become due without the prior written consent of the Owner.

ARTICLE 7

Severability: If any part, portion or provision of the Contract shall be found or declared null, void or unenforceable for any reason whatsoever by any court of competent jurisdiction or any governmental agency having the authority thereover, only such part, portion or provision shall be effected thereby and all other parts, portions and provisions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, City of Grand Junction, Colorado, has caused this Contract to be subscribed and sealed and attested in its behalf; and the Contractor has signed this Contract the day and the year first mentioned herein.

The Contract is executed in two counterparts.

CITY OF GRAND JUNCTION, COLORADO

DocuSigned by:
By: Duane Hoff
9F789E7D30F14BC...
Duane Hoff Jr., Senior Buyer

8/2/2016 | 11:04 MDT
Date

A M Gas Marketing Corp

DocuSigned by:
By: Barton J. Levin, President - A M Gas Marketing Corp
806DE69E5A974AA...
Barton J. Levin, President - A M Gas Marketing Corp

8/2/2016 | 10:28 MDT
Date



**Request for Proposal
RFP-4183-16-DH**

**3rd Party Natural Gas Services for City of
Grand Junction and/or Mesa County**

RESPONSES DUE:

April 26, 2016 prior to 3:30 PM MDT

Accepting Electronic Responses Only

**Responses Only Submitted Through the Rocky Mountain E-Purchasing System
(RMEPS)**

<https://www.rockymountainbidsystem.com/default.asp>

(Purchasing Representative does not have access or control of the vendor side of RMEPS. If website or other problems arise during response submission, vendor MUST contact RMEPS to resolve issue prior to the response deadline. 800-835-4603)

PURCHASING REPRESENTATIVE:

Duane Hoff Jr., Senior Buyer

duaneh@gjcity.org

(970) 244-1545

This solicitation has been developed specifically for a Request for Proposal intended to solicit competitive responses for this solicitation, and may not be the same as previous City of Grand Junction/Mesa County solicitations. All offerors are urged to thoroughly review this solicitation prior to submitting. Submittal by **FAX, EMAIL or HARD COPY IS NOT ACCEPTABLE** for this solicitation.

REQUEST FOR PROPOSAL

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Section

- 1.0 Administrative Information and Conditions for Submittal**
- 2.0 General Contract Terms and Conditions**
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- 4.0 Specifications/Scope of Services**
- 5.0 Preparation and Submittal of Proposals**
- 6.0 Evaluation Criteria and Factors**
- 7.0 Solicitation Response Form**

REQUEST FOR PROPOSAL

SECTION 1.0: ADMINISTRATIVE INFORMATION & CONDITIONS FOR SUBMITTAL

- 1.1 Issuing Office:** This Request for Proposal (RFP) is issued by the City of Grand Junction. All contact regarding this RFP is directed to:

RFP QUESTIONS:

Duane Hoff Jr., Senior Buyer
duaneh@gjcity.org

- 1.2 Purpose:** The City of Grand Junction, in conjunction with Mesa County, is requesting proposals for 3rd Party Natural Gas Services to be provided to qualifying City and County Facilities.
- 1.3 The Owner:** The Owner is the City of Grand Junction and/or Mesa County, Colorado and is referred to throughout this Solicitation. The term Owner means the Owner or his authorized representative.
- 1.4 Compliance:** All participating Offerors, by their signature hereunder, shall agree to comply with all conditions, requirements, and instructions of this RFP as stated or implied herein. Should the Owner omit anything from this packet which is necessary to the clear understanding of the requirements, or should it appear that various instructions are in conflict, the Offeror(s) shall secure instructions from the Purchasing Division prior to the date and time of the submittal deadline shown in this RFP.
- 1.5 Submission:** Please refer to section 5.0 for what is to be included. ***Each proposal shall be submitted in electronic format only, and only through the Rocky Mountain E-Purchasing website (<https://www.rockymountainbidsystem.com/default.asp>).*** ***This site offers both "free" and "paying" registration options that allow for full access of the Owner's documents and for electronic submission of proposals. (Note: "free" registration may take up to 24 hours to process. Please Plan accordingly.)*** Please view our "Electronic Vendor Registration Guide" at <http://www.gjcity.org/BidOpenings.aspx> for details. For proper comparison and evaluation, the City requests that proposals be formatted as directed in Section 5.0 "Preparation and Submittal of Proposals." Submittals received that fail to follow this format may be ruled non-responsive. (Purchasing Representative does not have access or control of the vendor side of RMEPS. If website or other problems arise during response submission, vendor **MUST** contact RMEPS to resolve issue prior to the response deadline. **800-835-4603**).
- 1.6 Altering Proposals:** Any alterations made prior to opening date and time must be initialed by the signer of the proposal, guaranteeing authenticity. Proposals cannot be altered or amended after submission deadline.
- 1.7 Withdrawal of Proposal:** A proposal must be firm and valid for award and may not be withdrawn or canceled by the Offeror for sixty (60) days following the submittal deadline date, and only prior to award. The Offeror so agrees upon submittal of their proposal. After award this statement is not applicable.

- 1.8 Acceptance of Proposal Content:** The contents of the proposal of the successful Offeror shall become contractual obligations if acquisition action ensues. Failure of the successful Offeror to accept these obligations in a contract shall result in cancellation of the award and such vendor shall be removed from future solicitations.
- 1.9 Addenda:** All questions shall be submitted in writing to the appropriate person as shown in Section 1.1. Any interpretations, corrections and changes to this RFP or extensions to the opening/receipt date shall be made by a written Addendum to the RFP by the City Purchasing Division. Sole authority to authorize addenda shall be vested in the City of Grand Junction Purchasing Representative. Addenda will be issued electronically through the Rocky Mountain E-Purchasing website at www.rockymountainbidsystem.com. Offerors shall acknowledge receipt of all addenda in their proposal.
- 1.10 Exceptions and Substitutions:** All proposals meeting the intent of this RFP shall be considered for award. Offerors taking exception to the specifications shall do so at their own risk. The Owner reserves the right to accept or reject any or all substitutions or alternatives. When offering substitutions and/or alternatives, Offeror must state these exceptions in the section pertaining to that area. Exception/substitution, if accepted, must meet or exceed the stated intent and/or specifications. The absence of such a list shall indicate that the Offeror has not taken exceptions, and if awarded a contract, shall hold the Offeror responsible to perform in strict accordance with the specifications or scope of services contained herein.
- 1.11 Confidential Material:** All materials submitted in response to this RFP shall ultimately become public record and shall be subject to inspection after contract award. **“Proprietary or Confidential Information”** is defined as any information that is not generally known to competitors and which provides a competitive advantage. Unrestricted disclosure of proprietary information places it in the public domain. Only submittal information clearly identified with the words **“Confidential Disclosure”** and uploaded as a separate document shall establish a confidential, proprietary relationship. Any material to be treated as confidential or proprietary in nature must include a justification for the request. The request shall be reviewed and either approved or denied by the Owner. If denied, the proposer shall have the opportunity to withdraw its entire proposal, or to remove the confidential or proprietary restrictions. Neither cost nor pricing information nor the total proposal shall be considered confidential or proprietary.
- 1.12 Response Material Ownership:** All proposals become the property of the Owner upon receipt and shall only be returned to the proposer at the Owner’s option. Selection or rejection of the proposal shall not affect this right. The Owner shall have the right to use all ideas or adaptations of the ideas contained in any proposal received in response to this RFP, subject to limitations outlined in the entitled **“Confidential Material”**. Disqualification of a proposal does not eliminate this right.
- 1.13 Minimal Standards for Responsible Prospective Offerors:** A prospective Offeror must affirmably demonstrate their responsibility. A prospective Offeror must meet the following requirements.
- Have adequate financial resources, or the ability to obtain such resources as required.

- Be able to comply with the required or proposed completion schedule.
- Have a satisfactory record of performance.
- Have a satisfactory record of integrity and ethics.
- Be otherwise qualified and eligible to receive an award and enter into a contract with the Owner.

1.14 Open Records: Proposals shall be received and publicly acknowledged at the location, date, and time stated herein. Offerors, their representatives and interested persons may be present. Proposals shall be received and acknowledged only so as to avoid disclosure of process. However, all proposals shall be open for public inspection after the contract is awarded. Trade secrets and confidential information contained in the proposal so identified by offer as such shall be treated as confidential by the Owner to the extent allowable in the Open Records Act.

1.15 Sales Tax: The Owner is, by statute, exempt from the State Sales Tax and Federal Excise Tax; therefore, all fees shall not include taxes.

1.16 Public Opening: Proposals shall be opened in the City Hall Auditorium, 250 North 5th Street, Grand Junction, CO, 81501, immediately following the proposal deadline. Offerors, their representatives and interested persons may be present. Only the names and locations on the proposing firms will be disclosed.

SECTION 2.0: GENERAL CONTRACT TERMS AND CONDITIONS

2.1. Acceptance of RFP Terms: A proposal submitted in response to this RFP shall constitute a binding offer. Acknowledgment of this condition shall be indicated on the Letter of Interest or Cover Letter by the autographic signature of the Offeror or an officer of the Offeror legally authorized to execute contractual obligations. A submission in response to the RFP acknowledges acceptance by the Offeror of all terms and conditions including compensation, as set forth herein. An Offeror shall identify clearly and thoroughly any variations between its proposal and the Owner's RFP requirements. Failure to do so shall be deemed a waiver of any rights to subsequently modify the terms of performance, except as outlined or specified in the RFP.

2.2. Execution, Correlation, Intent, and Interpretations: The Contract Documents shall be signed by the Owner and Firm. By executing the contract, the Firm represents that they have familiarized themselves with the local conditions under which the Services is to be performed, and correlated their observations with the requirements of the Contract Documents. The Contract Documents are complementary, and what is required by any one, shall be as binding as if required by all. The intention of the documents is to include all labor, materials, equipment, services and other items necessary for the proper execution and completion of the scope of services as defined in the technical specifications and drawings contained herein. All drawings, specifications and copies furnished by the Owner are, and shall remain, Owner property. They are not to be used on any other project.

2.3. Permits, Fees, & Notices: The Firm shall secure and pay for all permits, governmental fees and licenses necessary for the proper execution and completion of the services. The Firm shall give all notices and comply with all laws, ordinances, rules, regulations

and orders of any public authority bearing on the performance of the services. If the Firm observes that any of the Contract Documents are at variance in any respect, he shall promptly notify the Owner in writing, and any necessary changes shall be adjusted by approximate modification. If the Firm performs any services knowing it to be contrary to such laws, ordinances, rules and regulations, and without such notice to the Owner, he shall assume full responsibility and shall bear all costs attributable.

- 2.4. Responsibility for those Performing the Services:** The Firm shall be responsible to the Owner for the acts and omissions of all his employees and all other persons performing any of the services under a contract with the Firm.
- 2.5. Payment & Completion:** The Contract Sum is stated in the Contract and is the total amount payable by the Owner to the Firm for the performance of the services under the Contract Documents. Upon receipt of written notice that the services is ready for final inspection and acceptance and upon receipt of application for payment, the Owner's Project Manager will promptly make such inspection and, when they find the services acceptable under the Contract Documents and the Contract fully performed, the Owner shall make payment in the manner provided in the Contract Documents. Partial payments will be based upon estimates, prepared by the Firm, of the value of Services performed and materials placed in accordance with the Contract Documents. The services performed by Firm shall be in accordance with generally accepted professional practices and the level of competency presently maintained by other practicing professional firms in the same or similar type of services in the applicable community. The services and services to be performed by Firm hereunder shall be done in compliance with applicable laws, ordinances, rules and regulations.
- 2.6. Protection of Persons & Property:** The Firm shall comply with all applicable laws, ordinances, rules, regulations and orders of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury or loss. Firm shall erect and maintain, as required by existing safeguards for safety and protection, and all reasonable precautions, including posting danger signs or other warnings against hazards promulgating safety regulations and notifying owners and users of adjacent utilities. When or where any direct or indirect damage or injury is done to public or private property by or on account of any act, omission, neglect, or misconduct by the Firm in the execution of the services, or in consequence of the non-execution thereof by the Firm, they shall restore, at their own expense, such property to a condition similar or equal to that existing before such damage or injury was done, by repairing, rebuilding, or otherwise restoring as may be directed, or it shall make good such damage or injury in an acceptable manner.
- 2.7. Changes in the Services:** The Owner, without invalidating the contract, may order changes in the services within the general scope of the contract consisting of additions, deletions or other revisions. All such changes in the services shall be authorized by Change Order/Amendment and shall be executed under the applicable conditions of the contract documents. A Change Order/Amendment is a written order to the Firm signed by the Owner issued after the execution of the contract, authorizing a change in the services or an adjustment in the contract sum or the contract time.

- 2.8. Minor Changes in the Services:** The Owner shall have authority to order minor changes in the services not involving an adjustment in the contract sum or an extension of the contract time and not inconsistent with the intent of the contract documents.
- 2.9. Uncovering & Correction of Services:** The Firm shall promptly correct all services found by the Owner as defective or as failing to conform to the contract documents. The Firm shall bear all costs of correcting such rejected services, including the cost of the Owner's additional services thereby made necessary. The Owner shall give such notice promptly after discover of condition. All such defective or non-conforming services under the above paragraphs shall be removed from the site where necessary and the services shall be corrected to comply with the contract documents without cost to the Owner.
- 2.10. Acceptance Not Waiver:** The Owner's acceptance or approval of any services furnished hereunder shall not in any way relieve the proposer of their present responsibility to maintain the high quality, integrity and timeliness of his services. The Owner's approval or acceptance of, or payment for, any services shall not be construed as a future waiver of any rights under this Contract, or of any cause of action arising out of performance under this Contract.
- 2.11. Change Order/Amendment:** No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All amendments to the contract shall be made in writing by the Owner.
- 2.12. Assignment:** The Offeror shall not sell, assign, transfer or convey any contract resulting from this RFP, in whole or in part, without the prior written approval from the Owner.
- 2.13. Compliance with Laws:** Proposals must comply with all Federal, State, County and local laws governing or covering this type of service and the fulfillment of all ADA (Americans with Disabilities Act) requirements. Firm hereby warrants that it is qualified to assume the responsibilities and render the services described herein and has all requisite corporate authority and professional licenses in good standing, required by law.
- 2.14. Debarment/Suspension:** The Firm hereby certifies that the Firm is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Governmental department or agency.
- 2.15. Confidentiality:** All information disclosed by the Owner to the Offeror for the purpose of the services to be done or information that comes to the attention of the Offeror during the course of performing such services is to be kept strictly confidential.
- 2.16. Conflict of Interest:** No public official and/or Owner employee shall have interest in any contract resulting from this RFP.
- 2.17. Contract:** This Request for Proposal, submitted documents, and any negotiations, when properly accepted by the Owner, shall constitute a contract equally binding between the Owner and Offeror. The contract represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral, including the Proposal documents. The contract may be amended or modified with Change Orders, Field Orders, or Amendment.

- 2.18. Project Manager/Administrator:** The Project Manager, on behalf of the Owner, shall render decisions in a timely manner pertaining to the services proposed or performed by the Offeror. The Project Manager shall be responsible for approval and/or acceptance of any related performance of the Scope of Services.
- 2.19. Contract Termination:** This contract shall remain in effect until any of the following occurs: (1) contract expires; (2) completion of services; (3) acceptance of services or, (4) for convenience terminated by either party with a written *Notice of Cancellation* stating therein the reasons for such cancellation and the effective date of cancellation at least thirty days past notification.
- 2.20. Employment Discrimination:** During the performance of any services per agreement with the Owner, the Offeror, by submitting a Proposal, agrees to the following conditions:
- 2.20.1. The Offeror shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, disability, citizenship status, marital status, veteran status, sexual orientation, national origin, or any legally protected status except when such condition is a legitimate occupational qualification reasonably necessary for the normal operations of the Offeror. The Offeror agrees to post in conspicuous places, visible to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- 2.20.2. The Offeror, in all solicitations or advertisements for employees placed by or on behalf of the Offeror, shall state that such Offeror is an Equal Opportunity Employer.
- 2.20.3. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
- 2.21. Immigration Reform and Control Act of 1986 and Immigration Compliance:** The Offeror certifies that it does not and will not during the performance of the contract employ illegal alien servicesers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986 and/or the immigration compliance requirements of State of Colorado C.R.S. § 8-17.5-101, *et.seq.* (House Bill 06-1343).
- 2.22. Ethics:** The Offeror shall not accept or offer gifts or anything of value nor enter into any business arrangement with any employee, official, or agent of the Owner.
- 2.23. Failure to Deliver:** In the event of failure of the Offeror to deliver services in accordance with the contract terms and conditions, the Owner, after due oral or written notice, may procure the services from other sources and hold the Offeror responsible for any costs resulting in additional purchase and administrative services. This remedy shall be in addition to any other remedies that the Owner may have.
- 2.24. Failure to Enforce:** Failure by the Owner at any time to enforce the provisions of the contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the contract or any part thereof or the right of the Owner to enforce any provision at any time in accordance with its terms.

- 2.25. Force Majeure:** The Offeror shall not be held responsible for failure to perform the duties and responsibilities imposed by the contract due to legal strikes, fires, riots, rebellions, and acts of God beyond the control of the Offeror, unless otherwise specified in the contract.
- 2.26. Indemnification:** Offeror shall defend, indemnify and save harmless the Owner and all its officers, employees, insurers, and self-insurance pool, from and against all liability, suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the Offeror, or of any Offeror's agent, employee, sub-contractor or supplier in the execution of, or performance under, any contract which may result from proposal award. Offeror shall pay any judgment with cost which may be obtained against the Owner growing out of such injury or damages.
- 2.27. Independent Firm:** The Offeror shall be legally considered an Independent Firm and neither the Firm nor its employees shall, under any circumstances, be considered servants or agents of the Owner. The Owner shall be at no time legally responsible for any negligence or other wrongdoing by the Firm, its servants, or agents. The Owner shall not withhold from the contract payments to the Firm any federal or state unemployment taxes, federal or state income taxes, Social Security Tax or any other amounts for benefits to the Firm. Further, the Owner shall not provide to the Firm any insurance coverage or other benefits, including Workers Compensation, normally provided by the Owner for its employees.
- 2.28. Nonconforming Terms and Conditions:** A proposal that includes terms and conditions that do not conform to the terms and conditions of this Request for Proposal is subject to rejection as non-responsive. The Owner reserves the right to permit the Offeror to withdraw nonconforming terms and conditions from its proposal prior to a determination by the Owner of non-responsiveness based on the submission of nonconforming terms and conditions.
- 2.29. Ownership:** All plans, prints, designs, concepts, etc., shall become the property of the Owner.
- 2.30. Oral Statements:** No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in this document and/or resulting agreement. All modifications to this request and any agreement must be made in writing by the Owner.
- 2.31. Patents/Copyrights:** The Offeror agrees to protect the Owner from any claims involving infringements of patents and/or copyrights. In no event shall the Owner be liable to the Offeror for any/all suits arising on the grounds of patent(s)/copyright(s) infringement. Patent/copyright infringement shall null and void any agreement resulting from response to this RFP.
- 2.32. Venue:** Any agreement as a result of responding to this RFP shall be deemed to have been made in, and shall be construed and interpreted in accordance with, the laws of the City of Grand Junction, Mesa County, Colorado.

- 2.33. Expenses:** Expenses incurred in preparation, submission and presentation of this RFP are the responsibility of the company and can not be charged to the Owner.
- 2.34. Sovereign Immunity:** The Owner specifically reserves its right to sovereign immunity pursuant to Colorado State Law as a defense to any action arising in conjunction to this agreement.
- 2.35. Public Funds/Non-Appropriation of Funds:** Funds for payment have been provided through the Owner's budget approved by the City Council/Board of County Commissioners for the stated fiscal year only. State of Colorado statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Therefore, anticipated orders or other obligations that may arise past the end of the stated Owner's fiscal year shall be subject to budget approval. Any contract will be subject to and must contain a governmental non-appropriation of funds clause.
- 2.36. Collusion Clause:** Each Offeror by submitting a proposal certifies that it is not party to any collusive action or any action that may be in violation of the Sherman Antitrust Act. Any and all proposals shall be rejected if there is evidence or reason for believing that collusion exists among the proposers. The Owner may or may not, at the discretion of the Owner Purchasing Representative, accept future proposals for the same service or commodities for participants in such collusion.
- 2.37. Gratuities:** The Firm certifies and agrees that no gratuities or kickbacks were paid in connection with this contract, nor were any fees, commissions, gifts or other considerations made contingent upon the award of this contract. If the Firm breaches or violates this warranty, the Owner may, at their discretion, terminate this contract without liability to the Owner.
- 2.38. Performance of the Contract:** The Owner reserves the right to enforce the performance of the contract in any manner prescribed by law or deemed to be in the best interest of the Owner in the event of breach or default of resulting contract award.
- 2.39. Benefit Claims:** The Owner shall not provide to the Offeror any insurance coverage or other benefits, including Worker's Compensation, normally provided by the Owner for its employees.
- 2.40. Default:** The Owner reserves the right to terminate the contract in the event the Firm fails to meet delivery or completion schedules, or otherwise perform in accordance with the accepted proposal. Breach of contract or default authorizes the Owner to purchase like services elsewhere and charge the full increase in cost to the defaulting Offeror.
- 2.41. Multiple Offers:** If said proposer chooses to submit more than one offer, THE ALTERNATE OFFER must be clearly marked "Alternate Proposal". The Owner reserves the right to make award in the best interest of the Owner.
- 2.42. Cooperative Purchasing:** Purchases as a result of this solicitation are primarily for the Owner. Other governmental entities may be extended the opportunity to utilize the resultant contract award with the agreement of the successful provider and the participating agencies. All participating entities will be required to abide by the

specifications, terms, conditions and pricings established in this Proposal. The quantities furnished in this proposal document are for only the Owner. It does not include quantities for any other jurisdiction. The Owner will be responsible only for the award for our jurisdiction. Other participating entities will place their own awards on their respective Purchase Orders through their purchasing office or use their purchasing card for purchase/payment as authorized or agreed upon between the provider and the individual entity. The Owner accepts no liability for payment of orders placed by other participating jurisdictions that choose to piggy-back on our solicitation. Orders placed by participating jurisdictions under the terms of this solicitation will indicate their specific delivery and invoicing instructions.

2.43. Definitions:

- 2.43.1. "Offeror" and/or "Proposer" refers to the person or persons legally authorized by the Consultant to make an offer and/or submit a response (fee) proposal in response to the Owner's RFP.
- 2.43.2. The term "Services" includes all labor, materials, equipment, and/or services necessary to produce the requirements of the Contract Documents.
- 2.43.3. "Firm" is the person, organization, firm or consultant identified as such in the Agreement and is referred to throughout the Contract Documents. The term Firm means the Firm or his authorized representative. The Firm shall carefully study and compare the General Contract Conditions of the Contract, Specification and Drawings, Scope of Services, Addenda and Modifications and shall at once report to the Owner any error, inconsistency or omission he may discover. Firm shall not be liable to the Owner for any damage resulting from such errors, inconsistencies or omissions. The Firm shall not commence services without clarifying Drawings, Specifications, or Interpretations.
- 2.43.4. "Sub-Contractor" is a person or organization who has a direct contract with the Firm to perform any of the services at the site. The term sub-Firm is referred to throughout the contract documents and means a sub-Firm or his authorized representative.

2.44. Public Disclosure Record: If the Proposer has knowledge of their employee(s) or sub-proposers having an immediate family relationship with an Owner employee or elected official, the proposer must provide the Purchasing Representative with the name(s) of these individuals. These individuals are required to file an acceptable "Public Disclosure Record", a statement of financial interest, before conducting business with the Owner.

SECTION 3.0: INSURANCE REQUIREMENTS
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3.1 Insurance Requirements: The selected Firm agrees to procure and maintain, at its own cost, policy(s) of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by the Firm pursuant to this Section. Such insurance shall be in addition to any other insurance requirements imposed by this Contract or by law. The Firm shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Section by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types. Firm shall procure and maintain and, if applicable, shall cause any Sub-Contractor of the Firm to procure and maintain insurance coverage listed below. Such coverage shall be

procured and maintained with forms and insurers acceptable to The Owner. All coverage shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by the Firm pursuant to this Section. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage. Minimum coverage limits shall be as indicated below unless specified otherwise in the Special Conditions:

(a) Worker Compensation: Firm shall comply with all State of Colorado Regulations concerning Workers' Compensation insurance coverage.

(b) General Liability insurance with minimum combined single limits of:

ONE MILLION DOLLARS (\$1,000,000) each occurrence and
ONE MILLION DOLLARS (\$1,000,000) per job aggregate.

The policy shall be applicable to all premises, products and completed operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products, and completed operations. The policy shall include coverage for explosion, collapse, and underground (XCU) hazards. The policy shall contain a severability of interests provision.

(c) Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than:

ONE MILLION DOLLARS (\$1,000,000) each occurrence and
ONE MILLION DOLLARS (\$1,000,000) aggregate

This policy shall provide coverage to protect the Firm against liability incurred as a result of the professional services performed as a result of responding to this Solicitation.

With respect to each of Consultant's owned, hired, or non-owned vehicles assigned to be used in performance of the Services. The policy shall contain a severability of interests provision.

3.2 Additional Insured Endorsement: The policies required by paragraphs (b), and (c) above shall be endorsed to include the Owner and the Owner's officers and employees as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by the Owner, its officers, or its employees, or carried by or provided through any insurance pool of the Owner, shall be excess and not contributory insurance to that provided by Firm. The Firm shall be solely responsible for any deductible losses under any policy required above.

SECTION 4.0: SPECIFICATIONS/SCOPE OF SERVICES

4.1. General/Background: The City of Grand Junction and Mesa County have several buildings that currently utilize a 3rd party natural gas service provider. The City and County are interested in exploring the option and feasibility of adding additional buildings/facilities to a 3rd party service, in addition to those already utilizing these

services. See attached City and County Tables for some (not necessarily all) potential buildings/facilities that are being considered.

4.2. Specifications/Scope of Services: Proposer shall address and include all of the following and requested information with their proposal submittals:

- A. All pricing shall be calculated and billed in dekatherms/decatherms (dth).
- B. Describe how your calculations for billing are calculated (daily or monthly).
- C. Pass through costs shall be “true” and shall not include or contain any additional mark-up charges.
- D. Identify, list, and describe any and all additional costs (beyond standard gas usage) that may pertain to having any given facility on this type of service, to include but not limited to: equipment, installations, connections, phone or digital lines, modems, wifi, routers, etc.
- E. Explain how your electronic metering services, what equipment is required for installation and connectivity, and how it is reported.
- F. Explain (in detail) your pricing structure. Does it contain two tier pricing?
- G. Describe (in detail) how you handle and bill for “overages” and “underages” usage.
- H. Do you use Spot Pricing in your calculations? If so, explain.
- I. Include example contracts and your “terms and conditions”.
- J. Include example invoicing/billing.
- K. Is your invoicing/billing customizable to the Owner’s needs? If so, are there any additional costs to doing so?
- L. Explain you policy for pass through of penalties to Owner.
- M. The City and County are interested in utilizing advanced methods of collecting data, paying invoicing, real time building/facility monitoring, etc. Please describe in detail how your company can provide this information electronically, in what format, via web, real time reporting and monitoring, etc. Indicate any additional costs associated for these services.
- N. Pricing shall be submitted for 3 different options for each scenario (See attached Scope of Services Response Form):
 - Option #1: 3rd party price per dth for City award only.
 - Option #2: 3rd party price per dth for County award only.
 - Option #3: 3rd party price per dth for both City and County award.
- O. Each scenario shall also include circumstances for overages and underages.

P. All pricing and proposals shall assume “floating index” not “fixed” rates.

4.3. Special Conditions & Provisions:

4.3.1 Owner reserves the right to request (and the selected service provider shall provide) corresponding Xcel billing statements at the Owner’s discretion, at any time.

4.3.2 Proposer shall be authorized by the State of Colorado to sell and distribute natural gas in the state of Colorado including Mesa County and have an established agreement with Xcel Energy to provide such services.

4.3.3 Proposer shall perform all functions and tasks related to nominations of natural gas required for any and all buildings/facilities that may be awarded by the City and County.

4.3.4 Proposer shall provide monthly invoicing/billing that is broken down in a manner which clearly states the costs, charges, and fees associated with the transport services for natural gas, as allocated to each building/facility.

4.3.5 Proposer shall assign a single point of contact/account representative for each entity, for resolving any issues and addressing any questions related to contract(s) and the services provided.

4.3.6 The Owner reserves the right to award in the entities best interest, including split awards by entity and/or building/facility. Contracts shall be awarded per building/facility for each entity.

4.3.7 Proposer shall be forthcoming with any cost savings measures that may be of benefit to the Owner, to include the addition or reductions of any buildings/facilities. Owner shall have the final decision over all matters pertaining to possible cost saving measures.

4.3.8 Proposer shall agree to apply any rates contracted with the Owner through this RFP to any buildings/facilities that the Owner chooses to add 3rd party natural gas services to, at a later date.

4.3.9 The Owner reserves to right to establish or convert any building/facility from a “floating index” to a “fixed” rate , at its discretion, and shall be allowed to select the day of the month to set the per dth price, and to lock that price for a specified time determined by the Owner.

4.3.10 All invoicing/billing shall contain detailed breakdowns of Xcel pass through charges, detailed breakdowns of 3rd party natural gas service charges, and show a comparison of savings/non-savings between the two. Invoicing/billing shall also show a comparison of savings/non-savings between 3rd party charges for gas and transportation as compared with charges for the same volume of gas if purchased directly from Xcel Energy under their sales rates.

4.3.11 Estimated Facilities: Neither Owner(s) (City nor County) guarantee the number of, or any specific, facilities listed for award. Those facilities listed are considered estimates only, as are the dth usage for each.

4.4. Term of Contract:

- City of Grand Junction initial contract(s) term shall be August 1, 2016 – December 31, 2016. The awarded Firm and the Owner agree that this Proposal or subsequent contract may, upon mutual agreement of the Firm and the Owner, be extended under the terms and conditions of the contract for three (3) additional, one (1) year contract renewal periods, contingent upon the applicable fiscal year funding. Should the City choose to renew any contract periods, each renewal shall be for a calendar year from January 1st – December 31st.

- Mesa County initial contract(s) shall term shall be August 1, 2016 – December 31, 2016. The awarded Firm and the Owner agree that this Proposal or subsequent contract may, upon mutual agreement of the Firm and the Owner, be extended under the terms and conditions of the contract for three (3) additional, one (1) year contract renewal periods, contingent upon the applicable fiscal year funding. Should the County choose to renew any contract periods, each renewal shall be for a calendar year from January 1st – December 31st.

4.5. RFP Tentative Time Schedule:

- | | |
|--|----------------------|
| • Request for Proposal available | March 23, 2016 |
| • Inquiry deadline, no questions after this date | April 15, 2016 |
| • Addendum Posted | April 19, 2016 |
| • Submittal deadline for proposals | April 26, 2016 |
| • Owner evaluation of proposals | April 27-May 3, 2016 |
| • Interviews (if required) | May 5, 2016 |
| • Final selection | May 6, 2016 |
| • City Council Approval | May 18, 2016 |
| • Board of County Commissioners Approval | May 23, 2016 |
| • City Contract execution | May 19, 2016 |
| • Mesa County Contract execution | May 23, 2016 |
| • Services begins no later than | August 1, 2016 |

4.6. Questions Regarding Scope of Services:

Duane Hoff Jr., Senior Buyer
duaneh@gjcity.org

SECTION 5.0: PREPARATION AND SUBMITTAL OF PROPOSALS

Submission: Each proposal shall be submitted in electronic format only, and only through the Rocky Mountain E-Purchasing website (<https://www.rockymountainbidssystem.com/default.asp>). This site offers both “free” and “paying” registration options that allow for full access of the Owner’s documents and for electronic submission of proposals. (Note: “free” registration may take up to 24 hours to process. Please Plan accordingly.) Please view our “**Electronic Vendor Registration Guide**” at <http://www.gjcity.org/BidOpenings.aspx> for details. (Purchasing Representative does not have access or control of the vendor side of RMEPS. If website or other problems arise during response submission, vendor **MUST** contact RMEPS to resolve issue prior to the response deadline **800-835-4603**). For proper comparison and evaluation, the City requests that proposals be formatted as directed in Section 5.0 “Preparation and Submittal of Proposals.” Offerors are required to indicate their interest in this Project, show their specific experience and address their capability to perform the Scope of Services in the Time Schedule as set forth herein. For proper comparison and evaluation, the Owner requires that proposals be formatted **A to I**:

- A. Cover Letter:** Cover letter shall be provided which explains the Firm’s interest in the project. The letter shall contain the name/address/phone number/email of the person who will serve as the firm’s principal contact person with Owner’s Contract Administrator and shall identify individual(s) who will be authorized to make presentations on behalf of the firm. The statement shall bear the signature of the person having proper authority to make formal commitments on behalf of the firm. By submitting a response to this solicitation the Firm agrees to all requirements herein.
- B. Qualifications/Experience/Credentials:** Proposers shall provide their qualifications for consideration as a contract provider to the City of Grand Junction/Mesa County and include prior experience in similar projects.
- C. Strategy and Implementation Plan:** Describe your (the firm’s) interpretation of the Owner’s objectives with regard to this RFP. Describe the proposed strategy and/or plan for achieving the objectives of this RFP. The Firm may utilize a written narrative or any other printed technique to demonstrate their ability to satisfy the Scope of Services. The narrative should describe a logical progression of tasks and efforts starting with the initial steps or tasks to be accomplished and continuing until all proposed tasks are fully described and the RFP objectives are accomplished. Include a **time schedule** for completion of your firm’s implementation plan and an estimate of time commitments from Owner staff.
- D. References:** A minimum of three (3) **references** with name, address, telephone number, and email address that can attest to your experience in projects of similar scope and size.
- E. Scope of Services Response Form:** Proposer shall complete and submit the attached Scope of Services Response Form with their proposal.
- F. Solicitation Response Form:** Proposer shall complete and submit the attached Solicitation Response Form with their proposal.

- G. Pricing:** Proposer shall provide and submit a complete list of costs/pricing using the attached Scope of Services Response Form. Pricing shall be provided as per Section 4 Scope of Services.
- H. Financial Statements:** Proposer shall provide a financial statement, as prepared by a certified public accountant, for their prior fiscal year, consisting of a balance sheet, profit and loss statement and such other financial statements as may be appropriate, which shall demonstrate that the proposer possesses adequate financial ability and stability to enable the Proposer to fulfill their obligations under the terms of this RFP. If requested by the Proposer, such information shall be treated as confidential by the Owner and shall not be subject to public disclosure. These documents must depict the financial status of that entity, subsidiary, division, or subdivision thereof, which will actually provide services. If the Proposer is a partnership or joint venture, individual financial statements must be submitted for each general partner or joint venture thereof. Consolidated balance sheets and profit/loss statements depicting the financial status of a Parent Corporation or joint venture shall not be considered an acceptable response.
- I. Additional Data (optional):** Provide any additional information that will aid in evaluation of your qualifications with respect to this project.

SECTION 6.0: EVALUATION CRITERIA AND FACTORS

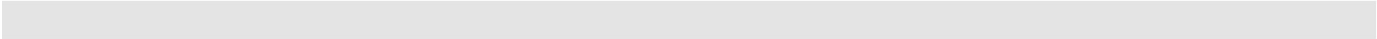
- 6.1 Evaluation:** An evaluation team shall review all responses and select the proposal or proposals that best demonstrate the capability in all aspects to perform the scope of services and possess the integrity and reliability that will ensure good faith performance.
- 6.2 Intent:** Only respondents who meet the qualification criteria will be considered. Therefore, it is imperative that the submitted proposal clearly indicate the firm's ability to provide the services described herein.

Submittal evaluations will be done in accordance with the criteria and procedure defined herein. The Owner reserves the right to reject any and all portions of proposals and take into consideration past performance. The following parameters will be used to evaluate the submittals (in no particular order of priority):

- Responsiveness of submittal to the RFP
- Understanding of the project and the objectives
- Experience
- Necessary resources
- Strategy & Implementation Plan
- Required skills
- References
- Financial Stability
- Fees

Owner also reserves the right to take into consideration past performance of previous awards/contracts with the Owner of any vendor, Firm, supplier, or service provider in determining final award(s).

The Owner will undertake negotiations with the top rated firm and will not negotiate with lower rated firms unless negotiations with higher rated firms have been unsuccessful and terminated.

- 6.3 Oral Interviews:** The Owner may invite the most qualified rated proposers to participate in oral interviews.
 - 6.4 Award:** Firms shall be ranked or disqualified based on the criteria listed in Section 6.2. The Owner reserves the right to consider all of the information submitted and/or oral presentations, if required, in selecting the project Firm.
- 

SECTION 7.0: SOLICITATION RESPONSE FORM

RFP-4183-16-DH 3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County

Offeror must submit entire Form completed, dated and signed.

The Owner reserves the right to accept any portion of the services to be performed at its discretion

The undersigned has thoroughly examined the entire Request for Proposals and therefore submits the proposal and schedule of fees and services attached hereto.

This offer is firm and irrevocable for sixty (90) days after the time and date set for receipt of proposals.

The undersigned Offeror agrees to provide services and products in accordance with the terms and conditions contained in this Request for Proposal and as described in the Offeror's proposal attached hereto; as accepted by the Owner.

Prices in the proposal have not knowingly been disclosed with another provider and will not be prior to award.

- Prices in this proposal have been arrived at independently, without consultation, communication or agreement for the purpose of restricting competition.
- No attempt has been made nor will be to induce any other person or firm to submit a proposal for the purpose of restricting competition.
- The individual signing this proposal certifies they are a legal agent of the offeror, authorized to represent the offeror and is legally responsible for the offer with regard to supporting documentation and prices provided.
- Direct purchases by the City of Grand Junction are tax exempt from Colorado Sales or Use Tax. Tax exempt No. 98-903544. The undersigned certifies that no Federal, State, County or Municipal tax will be added to the above quoted prices.
- Direct purchases by Mesa County are tax exempt from Colorado Sales or Use Tax. Tax exempt No. 98-04241. The undersigned certifies that no Federal, State, County or Municipal tax will be added to the above quoted prices.
- Prompt payment discount of _____ percent of the net dollar will be offered to the Owner if the invoice is paid within _____ days after the receipt of the invoice. Payment Terms _____.

RECEIPT OF ADDENDA: the undersigned Firm acknowledges receipt of Addenda to the Solicitation, Specifications, and other Contract Documents.

State number of Addenda received: _____.

It is the responsibility of the Proposer to ensure all Addenda have been received and acknowledged.

Company Name – (Typed or Printed)

Authorized Agent – (Typed or Printed)

Authorized Agent Signature

Phone Number

Address of Offeror

E-mail Address of Agent

City, State, and Zip Code

Date

City of Grand Junction Natural Gas Usage
2 Year Average - Decatherms

Bldg Name	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	Total Dth
CNG Fuel Site'	1210	1106	1338	1427	1278	1134	1208	1358	1672	1158	956	1118	14,960
Orchard Mesa Pool'	870	639	547	445	356	195	125	134	203	438	635	760	5,344
Public Safety Bldg	487	326	274	248	267	264	297	349	406	459	410	633	4,421
Persigo - Anaerobic Digester	420	302	346	379	475	383	293	268	324	164	226	240	3,822
Two Rivers Convention Center'	634	442	360	272	207	128	148	184	177	252	460	549	3,811
Moyer Pool	0	0	0	76	990	616	364	411	191	0	0	0	2,648
Persigo - Sludge Processing'	478	346	253	163	67	0	0	0	0	74	385	513	2,278
Persigo - Ops Bldg'	349	252	203	145	80	39	21	15	33	136	230	293	1,793
MSC Bldg C - Fleet/Svc Ctr'	400	228	127	62	11	0	1	0	1	32	300	556	1,714
Avalon Theater	418	261	112	69	29	10	19	14	52	40	179	321	1,525
Persigo - Headworks	351	130	93	89	24	2	0	0	0	11	173	371	1,244
Rockies Locker Room	250	205	122	86	42	28	29	29	29	27	125	217	1,189
MSC Bldg A - Ops'	274	176	104	64	14	4	5	3	5	32	171	268	1,115
City Hall'	157	100	90	83	59	21	16	24	38	69	120	167	942
Stadium Tower	137	120	80	61	47	18	19	16	18	34	82	151	782
Tiara Rado Operations	77	73	58	54	56	49	43	47	44	59	94	122	776
TOTALS	6,509	4,702	4,108	3,721	4,001	2,889	2,585	2,850	3,192	2,983	4,546	6,276	48,362

Mesa County Facilities and Parks Departments

2010 - 2015 Identified Buildings - Natural Gas Usage (decatherms - dth)

Date Prepared: March 17, 2016; jd

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Animal Services, 971 Coffman Road, Building A, Whitewater, CO (SOURCE GAS)													
2010	1,214	1,770	2,476	2,605	222	201	113	109	134	325	1,034	2,224	12,427
2011	3,363	2,498	1,270	1,065	655	171	132	287	178	442	1,313	2,120	13,494
2012	1,633	1,389	927	314	154	126	97	92	150	318	1,353	1,923	8,476
2013	3,055	2,126	1,401	1,003	464	173	107	118	157	706	1,422	2,662	13,394
2014	2,366	1,773	1,058	761	638	147	124	133	167	560	1,616	1,893	11,236
2015	2,328	1,468	1,093	807	655	174	132	139	169	422	1,266	1,870	10,523

Community Services Building, 510 29.5 Road, Grand Junction													
2010	392	269	208	158	135	97	90	99	101	136	243	306	2,234
2011	425	337	217	157	108	77	68	71	81	125	199	302	2,167
2012	286	368	148	106	85	68	65	62	64	107	176	339	1,874
2013	454	324	248	189	135	99	101	116	133	191	287	447	2,724
2014			220	151	93	74	70	83	102	129	243	292	1,457
2015	287	186	155	165	217	86	92	87	106	171	298	398	2,248

Courthouse, 544 Rood Avenue, Grand Junction													
2010	645	557	507	471	433	317	339	315	287	342	496	556	5,265
2011	682	604	448	357	327	274	273	267	290	389	473	620	5,004
2012	618	499	509	371	352	252	282	246	271	366	481	730	4,977
2013	1,009	513	476	473	411	314	330	322	341	474	478	807	5,948
2014	636	490	456	379	325	254	298	229	235	282	465	583	4,632
2015	675	491	440	409	365	179	215	219	268	337	558	713	4,869

Criminal Justice Services, 650 South Avenue, Grand Junction													
2010	569	457	389	317	286	209	194	207	210	284	443	510	4,075
2011	636	451	365	315	279	202	198	181	201	250	305	409	3,792
2012	395	342	287	246	220	184	194	194	220	251	273	401	3,207
2013	485	298	253	280	262	208	190	206	203	217	276	476	3,354
2014	402	331	307	282	262	221	202	266	246	299	434	495	3,747
2015	487	375	338	285	267	229	236	220	224	255	338	481	3,735

Mesa County Facilities and Parks Departments

2010 - 2015 Identified Buildings - Natural Gas Usage (decatherms - dth)

Date Prepared: March 17, 2016; jd

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Justice Center, 125 N. Spruce Street, Grand Junction													
2010	872	615	402	254	186	133	168	361	175	257	433	779	4,635
2011	536	558	295	173	117	87	96	87	123	251	433	520	3,276
2012	481	368	244	162	123	80	285	291	305	363	518	927	4,147
2013	1,224	502	320	235	122	111	104	94	138	249	397	903	4,399
2014	636	389	298	234	171	110	105	182	206	244	479	598	3,652
2015	595	419	292	243	173	98	113	117	129	679	534	691	4,083

Mesa County Central Services - 200 S. Spruce Street, Grand Junction													
2010													
2011													
2012	94	46	486	120	39	35	34	31	36	126	650	1,613	3,310
2013	4,908	1,962	1,000	468	96	33	36	31	36	199	563	2,615	11,947
2014	2,228	1,604	559	287	153	60	31	30	35	56	561	1,170	6,774
2015	1,905	871	507	207	73	47	32	29	36	42	640	1,543	5,932

Sheriff's Office & Detention, 215 Spruce Street, Grand Junction													
2010	2,139	1,609	1,113	733	597	460	466	455	457	708	1,427	1,550	11,714
2011	2,073	1,592	998	731	626	435	411	408	428	639	1,026	1,508	10,875
2012	1424	1161	832	604	472	428	421	486	593	729	926	1628	9,704
2013	2115	1418	1115	869	749	515	497	543	614	864	1122	2184	12,605
2014	1729	1295	970	755	589	488	470	538	537	596	1040	1286	10,293
2015	1375	1015	800	685	601	529	484	475	574	667	1076	1659	9,940

Workforce Center, 512 29.5 Road, Grand Junction													
2010													0
2011													0
2012													0
2013													0
2014	1552	1273	558	506	121	37	29	32	36	85	480	857	5,566
2015	927	537	248	201	95	34	33	31	36	86	547	1015	3,790

Scope of Services Response Form

Scenario 1: Assume single meter with a monthly usage of 500 decatherms (assume TFL and Peak Day Quantity of 20dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL 3rd Party					
GRAND TOTAL					

Additional Information:

Scope of Services Response Form

Scenario 2: Assume single meter with a monthly usage of 1,000 dekatherms (assume TFL and Peak Day Quantity of 40dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL 3rd Party					
GRAND TOTAL					
Additional Information:					

Scope of Services Response Form

Scenario 3: Assume single meter with a monthly usage of 1,500 dekatherms (assume TFL and Peak Day Quantity of 50dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL 3rd Party					
GRAND TOTAL					

Additional Information:

Scope of Services Response Form

Scenario 4: Assume single meter with a monthly usage of 2,000 dekatherms (assume TFL and Peak Day Quantity of 70dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL 3rd Party					
GRAND TOTAL					

Additional Information:



Purchasing Division

ADDENDUM NO. 1

DATE: April 20, 2016
FROM: City of Grand Junction Purchasing Division
TO: All Offerors
RE: 3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County
RFP-4183-16-DH

Offerors responding to the above referenced solicitation are hereby instructed that the requirements have been clarified, modified, superseded and supplemented as to this date as hereinafter described.

Please make note of the following clarifications:

1. Q. I notice that the County's Animal Services Building in Whitewater has very high usage. I am guessing that these volumes are in therms, not decatherms as stated in the schedule.

A. The County's Animal Services Building in Whitewater was stated in Therms, and should have been stated in Decatherms – DTH. For instance, the 2015 year average is 10,523 therms = 1,052 DTH. For the purposes of this solicitation process, Firms shall make the conversions for these averages for this facility to DTH.

The original solicitation for the project noted above is amended as noted.

All other conditions of subject remain the same.

Respectfully,

A handwritten signature in black ink, appearing to read "Duane Hoff Jr.", written over a white background.

Duane Hoff Jr., Senior Buyer
City of Grand Junction, Colorado

**A M GAS MARKETING CORP.
Post Office Box 7941
Aspen, CO 81612-7941**

(970) 704-0866

FAX (303) 484-3395

April 25, 2016

Mr. Duane Hoff, Jr.
Senior Buyer
City of Grand Junction, Colorado
Grand Junction City Clerk's Office #111
250 N. 5th Street
Grand Junction, CO 81501

RE: RFP-4183-16-DH, 3rd Party Natural Gas Services

Dear Duane:

A. Cover Letter. This cover letter is being submitted as requested to satisfy the condition of Paragraph 5.1.A of RFP-4183-16-DH, 3rd Party Natural Gas Services.


A M Gas Marketing Corp. ("AMGAS") has been the third party natural gas supplier for many City of Grand Junction and Mesa County facilities since 2002 and 2001 respectively. Our interest in this project is to provide natural gas services to the City of Grand Junction and Mesa County with the same reliability as Xcel Energy, but at a reduced cost for the facilities we serve.

Principal contact person:

Barton J. Levin
President
A M Gas Marketing Corp.
P. O. Box 7941
Aspen, CO 81612-7941
Phone: 790-704-0866
Email: blevin@amgasco.com

This proposal, including this cover letter and all attachments, constitutes a binding offer of proposer to satisfy all terms of the RFP, except for any specifically noted exceptions.

Very truly yours,

 Barton J. Levin
2016.04.25
08:18:34 -06'00'

Barton J. Levin
President

RESPONSE TO REQUIREMENTS OF SECTION 5.0:
PREPARATION AND SUBMITTAL OF PROPOSALS

- B. **Qualifications/Experience/Credentials:** Since 1995, AMGAS has supplied natural gas to more than 100 large commercial natural gas users in Western Colorado. During that time, no customer of AMGAS has received less than the amount of gas they required, except for rare instances of curtailment by Public Service Company of Colorado ("PSCO" or "Xcel") of interruptible service customers. To Proposer's knowledge, no facilities of owner are served currently on an interruptible basis. All invoices issued by AMGAS show not only detailed breakdown of charges but also the amount the customer would have been charged had they been a regular bundled sales service customer of their local utility as well as the savings the customer realized by using AMGAS services.
- C. **Strategy and Implementation Plan:** Upon award of a contract, AMGAS will continue to serve the City and/or County facilities it currently serves. Additionally, during negotiations or upon award of contract AMGAS and Owner may select additional facilities to be served by AMGAS under the contract.

AMGAS would propose to serve all of Owners' facilities currently being served or using more than 1000 dt per year and served by PSCO, provided that the costs of establishing and maintaining phone line services to the facilities' meters are reasonable. AMGAS expects to bear the cost of all additional phone line installation and expects Owner to be responsible for phone line maintenance and any telco charges. In some circumstances, it may be possible to provide phone line services through VOIP or direct internet service.

The rationale for the 1000 dt per year usage threshold is the following. Owner can expect to save about \$.50 per dt from 3rd party natural gas services. However, PSCO's customer charge for meters served by 3rd parties are \$12.63 per month higher than for bundled sales service meters. At 1000 dt per year, expected savings would be about \$500 less \$150 or about \$350 net. Additionally, Owner should expect to incur some phone line maintenance charges from time to time, which would reduce anticipated savings. Thus, 1000 dt per year seems a reasonable threshold. Comparing that threshold to the facilities lists provided in the RFP would place about 80% of the City's gas usage and about 95% of the County's gas usage in 3rd party service. AMGAS is willing to discuss or negotiate modifications to this threshold with Owner as desired by Owner.

The threshold volume for Owner's facility served by SourceGas/Black Hills Energy (BHE) is much higher. BHE's rate structure is much different than that of PSCO. BHE charges meters on transport service an additional

\$175 per month administrative fee. Additionally, BHE charges transport customers for the electronic meter head and installation, which charge is currently \$3018 per meter. Hence, the volume at which a meter becomes economical for transport service is 3000-4000 dt per year.

D. References:

Duane Hoff
City of Grand Junction
970-244-1545

Eric Anderson
Mesa County Valley School District No. 51
970-254-5208

Andy Rodriguez
Colorado Mesa University
970-248-1451

E. Financial Statements: Statements and notes are being provided in the confidential file.

F. Pricing: See attached proposal pricing forms. AMGAS is submitting three alternative forms of pricing, (1) one-tier pricing, (2) two-tier pricing and (3) pricing as per the Xcel sales customer cost less a discount. Our preferred pricing mechanism is one-tier pricing wherein all gas delivered each month has the same price as compared with two-tier pricing. Industry standard pricing is two-tier pricing, wherein the customer and supplier agree in advance how much gas the customer expects to use each month; then, that agreed quantity is priced at the base contract price while any gas received by customer above the specified amount bears a different price. Also, if the customer uses less gas in any month than the specified amount, the supplier in effect buys that gas back, again at a different price. Two-tier pricing looks cheaper when comparing bids, but usually proves not to be. Analysis we have done on the gas costs of customer's receiving third-party gas services from competing suppliers indicates that two-tier pricing usually raises customer's net costs by \$.10-15 per dt received. Additionally, our Alternative 3, based on the Xcel sales rates, assures that Owner would save money each month.

G. Scope of Services Response Form: Attached with three alternatives, Alternative 1 with two-tier pricing, Alternative 2 without two-tier pricing, and Alternative 3, the Xcel sales customer cost less a discount.

H. Proposer Response Form: Attached.

- I. Additional Information: Additional Scope of Services information is attached under the heading of Scope of Services Addendum.

Scope of Services Response Form

Scenario 1: Assume single meter with a monthly usage of 500 decatherms (assume TFL and Peak Day Quantity of 20dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and Facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$135.00	\$135.00	\$135.00		
Transportation Charge	\$92.70	\$92.70	\$92.70	\$37.08	
Pipeline System Integrity Adjustment	\$139.90	\$139.90	\$139.90	\$55.96	
Gas Cost Adjustment	\$24.00	\$24.00	\$24.00	\$9.60	
Revenue Surcharges	\$55.62	\$55.62	\$55.62	\$6.88	
Franchise Fee	\$15.58	\$15.58	\$15.58	\$3.29	
TOTAL Xcel	\$534.80	\$534.80	\$534.80	\$112.81	
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$800.00	\$800.00	\$800.00	\$320.00	(\$302.00)
Fuel Loss	\$14.40	\$14.40	\$14.40	\$4.80	(\$4.53)
TOTAL 3rd Party	\$814.40	\$814.40	\$814.40	\$324.80	(\$306.53)
GRAND TOTAL	\$1,349.20	\$1,349.20	\$1,349.20	\$437.61	(\$306.53)

Additional Information:

ALTERNATIVE PROPOSAL 1, with two-tier pricing

NWROX Mar16 \$1.51

NWROX Apr16 \$1.51

Margin \$.10

Scope of Services Response Form

Scenario 2: Assume single meter with a monthly usage of 1,000 decatherms (assume TFL and Peak Day Quantity of 40dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and Facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$270.00	\$270.00	\$270.00		
Transportation Charge	\$185.40	\$185.40	\$185.40	\$37.08	
Pipeline System Integrity Adjustment	\$279.80	\$279.80	\$279.80	\$55.96	
Gas Cost Adjustment	\$48.00	\$48.00	\$48.00	\$9.60	
Revenue Surcharges	\$97.89	\$97.89	\$97.89	\$6.88	
Franchise Fee	\$28.59	\$28.59	\$28.59	\$3.29	
TOTAL Xcel	\$981.68	\$981.68	\$981.68	\$112.81	
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$1,600.00	\$1,600.00	\$1,600.00	\$320.00	(\$302.00)
Fuel Loss	\$27.20	\$27.20	\$27.20	\$4.80	(\$4.53)
TOTAL 3rd Party	\$1,627.20	\$1,627.20	\$1,627.20	\$324.80	(\$306.53)
GRAND TOTAL	\$2,608.88	\$2,608.88	\$2,608.88	\$437.61	(\$306.53)
Additional Information:					
ALTERNATIVE PROPOSAL 1, with two-tier pricing					
NWROX Mar16 \$1.51					
NWROX Apr16 \$1.51					
Margin \$.10					

Scope of Services Response Form

Scenario 3: Assume single meter with a monthly usage of 1,500 dekatherms (assume TFL and Peak Day Quantity of 50dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and Facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$337.50	\$337.50	\$337.50		
Transportation Charge	\$278.10	\$278.10	\$278.10	\$37.08	
Pipeline System Integrity Adjustment	\$419.70	\$419.70	\$419.70	\$55.96	
Gas Cost Adjustment	\$72.00	\$72.00	\$72.00	\$9.60	
Revenue Surcharges	\$127.62	\$127.62	\$127.62	\$6.88	
Franchise Fee	\$39.21	\$39.21	\$39.21	\$3.29	
TOTAL Xcel	\$1,346.13	\$1,346.13	\$1,346.13	\$112.81	
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$2,400.00	\$2,400.00	\$2,400.00	\$320.00	(\$302.00)
Fuel Loss	\$41.60	\$41.60	\$41.60	\$4.80	(\$4.53)
TOTAL 3rd Party	\$2,441.60	\$2,441.60	\$2,441.60	\$324.80	(\$306.53)
GRAND TOTAL	\$3,787.73	\$3,787.73	\$3,787.73	\$437.61	(\$306.53)

Additional Information:

ALTERNATIVE PROPOSAL 1, with two-tier pricing

NWROX Mar16 \$1.51

NWROX Apr16 \$1.51

Margin \$.10

Scope of Services Response Form

Scenario 4: Assume single meter with a monthly usage of 2,000 decatherms (assume TFL and Peak Day Quantity of 70dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and Facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$472.50	\$472.50	\$472.50		
Transportation Charge	\$370.80	\$370.80	\$370.80	\$37.08	
Pipeline System Integrity Adjustment	\$559.60	\$559.60	\$559.60	\$55.96	
Gas Cost Adjustment	\$96.00	\$96.00	\$96.00	\$9.60	
Revenue Surcharges	\$169.88	\$169.88	\$169.88	\$6.88	
Franchise Fee	\$52.22	\$52.22	\$52.22	\$3.29	
TOTAL Xcel	\$1,793.00	\$1,793.00	\$1,793.00	\$112.81	
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$3,200.00	\$3,200.00	\$3,200.00	\$320.00	(\$302.00)
Fuel Loss	\$54.40	\$54.40	\$54.40	\$4.80	(\$4.53)
TOTAL 3rd Party	\$3,254.40	\$3,254.40	\$3,254.40	\$324.80	(\$306.53)
GRAND TOTAL	\$5,047.40	\$5,047.40	\$5,047.40	\$437.61	(\$306.53)

Additional Information:
 ALTERNATIVE PROPOSAL 1, with two-tier pricing
 NWROX Mar16 \$1.51
 Margin \$.10

Scope of Services Response Form

Scenario 1: Assume single meter with a monthly usage of 500 decatherms (assume TFL and Peak Day Quantity of 20dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$135.00	\$135.00	\$135.00		
Transportation Charge	\$92.70	\$92.70	\$92.70	\$37.08	(\$37.08)
Pipeline System Integrity Adjustment	\$139.90	\$139.90	\$139.90	\$55.96	(\$55.96)
Gas Cost Adjustment	\$24.00	\$24.00	\$24.00	\$9.60	(\$9.60)
General Rate Schedule Adjustments	\$55.62	\$55.62	\$55.62	\$6.88	(\$6.88)
Franchise Fee	\$15.58	\$15.58	\$15.58	\$3.29	(\$3.29)
TOTAL Xcel	\$534.80	\$534.80	\$534.80	\$112.81	(\$112.81)
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$875.00	\$875.00	\$875.00	\$350.00	(\$350.00)
Fuel Loss	\$10.50	\$10.50	\$10.50	\$5.25	(\$5.25)
TOTAL 3rd Party	\$885.50	\$885.50	\$885.50	\$355.25	(\$355.25)
GRAND TOTAL	\$1,420.30	\$1,420.30	\$1,420.30	\$468.06	(\$468.06)

Additional Information:

ALTERNATIVE PROPOSAL 2, without two-tier pricing

NWROX Mar16 \$1.51

Margin \$.24

Scope of Services Response Form

Scenario 2: Assume single meter with a monthly usage of 1,000 decatherms (assume TFL and Peak Day Quantity of 40dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$270.00	\$270.00	\$270.00		
Transportation Charge	\$185.40	\$185.40	\$185.40	\$37.08	(\$37.08)
Pipeline System Integrity Adjustment	\$279.80	\$279.80	\$279.80	\$55.96	(\$55.96)
Gas Cost Adjustment	\$48.00	\$48.00	\$48.00	\$9.60	(\$9.60)
General Rate Schedule Adjustments	\$97.89	\$97.89	\$97.89	\$6.88	(\$6.88)
Franchise Fee	\$28.59	\$28.59	\$28.59	\$3.29	(\$3.29)
TOTAL Xcel	\$981.68	\$981.68	\$981.68	\$112.81	(\$112.81)
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$1,750.00	\$1,750.00	\$1,750.00	\$350.00	(\$350.00)
Fuel Loss	\$22.75	\$22.75	\$22.75	\$5.25	(\$5.25)
TOTAL 3rd Party	\$1,772.75	\$1,772.75	\$1,772.75	\$355.25	(\$355.25)
GRAND TOTAL	\$2,754.43	\$2,754.43	\$2,754.43	\$468.06	(\$468.06)

Additional Information:

ALTERNATIVE PROPOSAL 2, without two-tier pricing

NWROX Mar16 \$1.51

Margin \$.24

Scope of Services Response Form

Scenario 3: Assume single meter with a monthly usage of 1,500 dekatherms (assume TFL and Peak Day Quantity of 50dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$337.50	\$337.50	\$337.50		
Transportation Charge	\$278.10	\$278.10	\$278.10	\$37.08	(\$37.08)
Pipeline System Integrity Adjustment	\$419.70	\$419.70	\$419.70	\$55.96	(\$55.96)
Gas Cost Adjustment	\$72.00	\$72.00	\$72.00	\$9.60	(\$9.60)
General Rate Schedule Adjustments	\$127.62	\$127.62	\$127.62	\$6.88	(\$6.88)
Franchise Fee	\$39.21	\$39.21	\$39.21	\$3.29	(\$3.29)
TOTAL Xcel	\$1,346.13	\$1,346.13	\$1,346.13	\$112.81	(\$112.81)
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$2,625.00	\$2,625.00	\$2,625.00	\$350.00	(\$350.00)
Fuel Loss	\$33.25	\$33.25	\$33.25	\$5.25	(\$5.25)
TOTAL 3rd Party	\$2,658.25	\$2,658.25	\$2,658.25	\$355.25	(\$355.25)
GRAND TOTAL	\$4,004.38	\$4,004.38	\$4,004.38	\$468.06	(\$468.06)

Additional Information:

ALTERNATIVE PROPOSAL 2, without two-tier pricing

NWROX Mar16 \$1.51

Margin \$.24

Scope of Services Response Form

Scenario 4: Assume single meter with a monthly usage of 2,000 decatherms (assume TFL and Peak Day Quantity of 70dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Service and facility Charge	\$72.00	\$72.00	\$72.00		
Firm Capacity Reservation Charge	\$472.50	\$472.50	\$472.50		
Transportation Charge	\$370.80	\$370.80	\$370.80	\$37.08	(\$37.08)
Pipeline System Integrity Adjustment	\$559.60	\$559.60	\$559.60	\$55.96	(\$55.96)
Gas Cost Adjustment	\$96.00	\$96.00	\$96.00	\$9.60	(\$9.60)
General Rate Schedule Adjustments	\$169.88	\$169.88	\$169.88	\$6.88	(\$6.88)
Franchise Fee	\$52.22	\$52.22	\$52.22	\$3.29	(\$3.29)
TOTAL Xcel	\$1,793.00	\$1,793.00	\$1,793.00	\$112.81	(\$112.81)
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Natural Gas	\$3,500.00	\$3,500.00	\$3,500.00	\$350.00	(\$350.00)
Fuel Loss	\$43.75	\$43.75	\$43.75	\$5.25	(\$5.25)
TOTAL 3rd Party	\$3,543.75	\$3,543.75	\$3,543.75	\$355.25	(\$355.25)
GRAND TOTAL	\$5,336.75	\$5,336.75	\$5,336.75	\$468.06	(\$468.06)

Additional Information:
 ALTERNATIVE PROPOSAL 2, without two-tier pricing
 NWROX Mar16 \$1.51
 Margin \$.24

Scope of Services Response Form

Scenario 1: Assume single meter with a monthly usage of 500 decatherms (assume TFL and Peak Day Quantity of 20dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Xcel Sales Gas Cost	\$1,717.59	\$1,717.59	\$1,717.59	\$687.03	(\$687.03)
Service & Facility Charge	\$79.05	\$79.05	\$79.05		
Firm Capacity Reservation Charge	\$163.80	\$163.80	\$163.80		
Franchise Fee	\$58.81	\$58.81	\$58.81	\$20.61	(\$20.61)
Total Retail Cost	\$2,019.25	\$2,019.25	\$2,019.25	\$707.64	(\$707.64)
Discount	(\$200.00)	(\$200.00)	(\$200.00)	(\$80.00)	\$80.00
TOTAL 3rd Party	\$1,819.25	\$1,819.25	\$1,819.25	\$627.64	(\$627.64)
GRAND TOTAL	\$1,819.25	\$1,819.25	\$1,819.25	\$627.64	(\$627.64)

Additional Information:

ALTERNATIVE PROPOSAL 3, Sales Customer Cost less a Discount of \$.40 per dth

Xcel Sales Gas Cost \$3.43517

Firm Capacity Reservation Charge \$8.19

Discount \$.40

Scope of Services Response Form

Scenario 2: Assume single meter with a monthly usage of 1,000 decatherms (assume TFL and Peak Day Quantity of 40dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Xcel Sales Gas Cost	\$3,435.17	\$3,435.17	\$3,435.17	\$687.03	(\$687.03)
Service & Facility Charge	\$79.05	\$79.05	\$79.05		
Firm Capacity Reservation Charge	\$327.60	\$327.60	\$327.60		
Franchise Fee	\$115.25	\$115.25	\$115.25	\$20.61	(\$20.61)
Total Retail Cost	\$3,957.07	\$3,957.07	\$3,957.07	\$707.64	(\$707.64)
Discount	(\$400.00)	(\$400.00)	(\$400.00)	(\$80.00)	\$80.00
TOTAL 3rd Party	\$3,557.07	\$3,557.07	\$3,557.07	\$627.64	(\$627.64)
GRAND TOTAL	\$3,557.07	\$3,557.07	\$3,557.07	\$627.64	(\$627.64)

Additional Information:
ALTERNATIVE PROPOSAL 3, Sales Customer Cost less a Discount of \$.40 per dth
 Xcel Sales Gas Cost \$3.43517
 Firm Capacity Reservation Charge \$8.19
 Discount \$.40

Scope of Services Response Form

Scenario 3: Assume single meter with a monthly usage of 1,500 dekatherms (assume TFL and Peak Day Quantity of 50dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Xcel Sales Gas Cost	\$5,152.76	\$5,152.76	\$5,152.76	\$687.03	(\$687.03)
Service & Facility Charge	\$79.05	\$79.05	\$79.05		
Firm Capacity Reservation Charge	\$409.50	\$409.50	\$409.50		
Franchise Fee	\$169.24	\$169.24	\$169.24	\$20.61	(\$20.61)
Total Retail Cost	\$5,810.55	\$5,810.55	\$5,810.55	\$707.64	(\$707.64)
Discount	(\$600.00)	(\$600.00)	(\$600.00)	(\$80.00)	\$80.00
TOTAL 3rd Party	\$5,210.55	\$5,210.55	\$5,210.55	\$627.64	(\$627.64)
GRAND TOTAL	\$5,210.55	\$5,210.55	\$5,210.55	\$627.64	(\$627.64)

Additional Information:

ALTERNATIVE PROPOSAL 3, Sales Customer Cost less a Discount of \$.40 per dth

Xcel Sales Gas Cost \$3.43517

Firm Capacity Reservation Charge \$8.19

Discount \$.40

Scope of Services Response Form

Scenario 4: Assume single meter with a monthly usage of 2,000 decatherms (assume TFL and Peak Day Quantity of 70dth). Also, include cost/refund for overages and underages, assume 200 dekatherms over and under. Use the Northwest Pipeline Corp. Rocky Mountains Index Price for March 1, 2016 for all calculations. (Reference Section 4.2, Item "N")

List/Describe all Xcel pass through charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
TOTAL Xcel					
List/Describe all 3rd party service/commodity charges	Pricing Option #1	Pricing Option #2	Pricing Option #3	Cost Overages	Cost Underages
Xcel Sales Gas Cost	\$6,870.34	\$6,870.34	\$6,870.34	\$687.03	(\$687.03)
Service & Facility Charge	\$79.05	\$79.05	\$79.05		
Firm Capacity Reservation Charge	\$573.30	\$573.30	\$573.30		
Franchise Fee	\$225.68	\$225.68	\$225.68	\$20.61	(\$20.61)
	\$7,748.37	\$7,748.37	\$7,748.37	\$707.64	(\$707.64)
Discount	(\$800.00)	(\$800.00)	(\$800.00)	(\$80.00)	\$80.00
TOTAL 3rd Party	\$6,948.37	\$6,948.37	\$6,948.37	\$627.64	(\$627.64)
GRAND TOTAL	\$6,948.37	\$6,948.37	\$6,948.37	\$627.64	(\$627.64)

Additional Information:
 ALTERNATIVE PROPOSAL 3, Sales Customer Cost less a Discount of \$.40 per dth
 Xcel Sales Gas Cost \$3.43517
 Firm Capacity Reservation Charge \$8.19; Discount \$.40

SECTION 7.0: SOLICITATION RESPONSE FORM

RFP-4183-16-DH 3rd Party Natural Gas Services for City of Grand Junction and/or Mesa County

Offeror must submit entire Form completed, dated and signed.

The Owner reserves the right to accept any portion of the services to be performed at its discretion

The undersigned has thoroughly examined the entire Request for Proposals and therefore submits the proposal and schedule of fees and services attached hereto.

This offer is firm and irrevocable for sixty (90) days after the time and date set for receipt of proposals.

The undersigned Offeror agrees to provide services and products in accordance with the terms and conditions contained in this Request for Proposal and as described in the Offeror's proposal attached hereto; as accepted by the Owner.

Prices in the proposal have not knowingly been disclosed with another provider and will not be prior to award.

- Prices in this proposal have been arrived at independently, without consultation, communication or agreement for the purpose of restricting competition.
- No attempt has been made nor will be to induce any other person or firm to submit a proposal for the purpose of restricting competition.
- The individual signing this proposal certifies they are a legal agent of the offeror, authorized to represent the offeror and is legally responsible for the offer with regard to supporting documentation and prices provided.
- Direct purchases by the City of Grand Junction are tax exempt from Colorado Sales or Use Tax. Tax exempt No. 98-903544. The undersigned certifies that no Federal, State, County or Municipal tax will be added to the above quoted prices.
- Direct purchases by Mesa County are tax exempt from Colorado Sales or Use Tax. Tax exempt No. 98-04241. The undersigned certifies that no Federal, State, County or Municipal tax will be added to the above quoted prices.
- Prompt payment discount of _____ percent of the net dollar will be offered to the Owner if the invoice is paid within _____ days after the receipt of the invoice. Payment Terms Net 10

RECEIPT OF ADDENDA: the undersigned Firm acknowledges receipt of Addenda to the Solicitation, Specifications, and other Contract Documents.

State number of Addenda received: 1 .

It is the responsibility of the Proposer to ensure all Addenda have been received and acknowledged.

A M Gas Marketing Corp
Company Name – (Typed or Printed)

Barton J. Levin
Authorized Agent – (Typed or Printed)

Barton J. Levin 2016.04.25 08:44:47
Authorized Agent Signature

970-704-0866
Phone Number

P O Box 7941
Address of Offeror

blevin@amgasco.com
E-mail Address of Agent

Aspen, CO 81612-7941
City, State, and Zip Code

April 21, 2016
Date

SCOPE OF SERVICES ADDENDUM
Responses to Questions in Sections 4.2 of the RFP

- 4.2.A All pricing shall be calculated in dekatherms/decatherms (dth/dt). Agreed.
- 4.2.B Describe how your calculations for billing are calculated (daily or monthly). Monthly.
- 4.2.C Pass through costs shall be “true” and shall not include or contain any additional mark-up charges. Agreed.
- 4.2.D-E. Electronic metering. Electronic metering is required by PSCO for transport service and is provided by PSCO with no upfront charge. However, monthly customer charges for transport service are higher than for bundled sales service, in some part to recover the cost of the electronic meters and their upkeep. The customer is required to install and maintain a phone line to the electronic meter to allow the meter to communicate with PSCO’s central computer. AMGAS will pay reasonable costs for phone line installation to any additional meters Owner wishes to place on transport service. Owner will be responsible for maintenance of and any monthly charges for these phone lines. It may be possible to piggyback the meter phone line onto another phone line, or to use VOIP to support the electronic metering.

The electronic metering provides daily usage information by meter at a PSCO website. This information can be made available to Owner. Additionally, hourly usage information is reported by the electronic meters to the PSCO central computer and can be made available to Owner for special studies.

- 4.2.F. Explain (in detail) your pricing structure. Does it contain two tier pricing?

Pricing for Options 1 (City only), 2 (County only) and 3 (both City and County) will be the same.

Alternative Proposal 1: Floating Index price with two tier pricing.

NWROX plus \$.09 (“Margin”) per dth plus Pipeline Fees plus Fuel Loss as per PSCO (currently 1.7%).

Two tier Pricing: Above prices will apply to gas volumes as specified by Owner. Consumption of gas above or below the specified monthly quantities may invoke charges based upon the difference between the price of gas determined above and the then

current market price of gas. Overages will be priced at the higher of the current or next month's Index price plus Plus Pipeline Fees, Margin and Fuel Loss. Underages will be bought back by AMGAS at the lower of the current or next month's Index Price.

Alternative Proposal 2: Floating Index price without two tier pricing.

April through October: NWROX plus \$.19 per dth plus Pipeline Fees plus Fuel.

November through March: NWROX plus \$.24 per dth plus Pipeline Fees plus Fuel.

Prices under Alternative B will apply to all gas consumed by Customer. No two tier pricing.

Ability to convert from Floating to Fixed Price

If Owner accepts either Alternative A or B, Owner shall, with reasonable notice, have the option during the term of any agreement to convert any or all facilities to a mutually agreed fixed price.

Alternative Proposal 3: Xcel sales customer cost less a discount.

AMGAS shall charge Customer each month what customer would have paid Xcel for sales gas service under the appropriate tariff classification, either CSG (Small Gas customer Sales) or CLG (Large Gas customer Sales), including any sales taxes and franchise fees, less a discount of \$.40 per MMBtu. If this option is selected by either the City or County, it must be selected for all of that entities transport gas facilities. This option is a one-tier price.

A NOTE ON TWO TIER PRICING

Almost all natural gas suppliers use two tier pricing. We don't like it because it raises our customers costs in an uncertain fashion and transfers pricing risk from the supplier to the customer. Most suppliers only quote two tier pricing, our Alternative A above. It looks cheaper, but usually is not. With two tier pricing, the supplier and the customer agree as to how much gas the supplier is required to provide at the quoted price. If the customer uses more or less gas than agreed in any month, and sometimes on any day, the price is different, sometimes specified, sometimes based on market conditions.

Two tier pricing almost always costs the customer more than expected for two reasons. First, the supplier charges his margin on the greater of the agreed

volume or the actual volume. So, if the customer uses less gas than the agreed volume, the customer still pays the margin on the agreed volume, even though he used less. Second, because customers such as Owner have loads that are dependent on weather, using more gas when it is cold and less when it is warm, customers usually pay more for extra gas and receive less money back (for gas not used) when they don't use as much gas as anticipated. That is because when it is cold all customers with temperature dependent loads use more gas so the price for extra gas is higher. And when it is warm all customers with temperature dependent loads use less so the price received for extra gas sold back to the supplier is lower.

We find that two tier pricing usually raises customers' costs by \$.10-.15 on each MMBtu consumed, not just the swing volume. However, the increase in cost can be much higher, sometimes as much as \$1.00 per dth, particularly where loads are unknown or highly variable, such as the City's CNG fueling station.

- 4.2.G. Describe (in detail) how you handle and bill for "overages" and "underages" usage. Covered in 4.2.E above.
- 4.2.H. Do you use Spot Pricing in your calculations? No.
- 4.2.I. Include example contracts and your "terms and conditions". Attached as Exhibit SC.
- 4.2.J. Include example invoicing/billing. Attached as Exhibit SIB.
- 4.2.K. Is your invoicing/billing customizable to the Owner's needs? Probably. If so, are there any additional costs to doing so? Probably not.
- 4.2.L. Explain your policy for pass through of penalties to Owner. AMGAS does not pass through Operating Flow Order (OFF) or Restricted Delivery Day (RDD) penalties assessed by PSCO. We believe that it is our responsibility to manage the supply and transportation of gas so as to minimize these penalties. The only penalties we would pass through are those occasioned by the actions of Owner, such as failure to promptly repair phone line problems.
- 4.2.M. Owner is interested in utilizing advanced methods of collecting data, paying invoicing, real time building/facility monitoring, etc. Please describe in detail how your company can provide this information electronically, in what format, via web, real time reporting and monitoring, etc. Indicate any additional costs associated for these services. AMGAS has submitted the electronic payment application to Mesa County. AMGAS is able to initiate electronic payments for either the City of County. Not knowing what data and monitoring Owner may desire, it is difficult to answer this question.

AMGAS will endeavor to supply whatever data and monitoring Owner may request, at minimal or no expense.

- 4.2.N-O. Please see attached Scope of Services Response Forms. Pricing for Options 1, 2 and 3 are the same.

AM GAS MARKETING CORP.
970/920-3323 direct
970/920-3327 fax

Post Office Box 7941
Aspen, Colorado 81612-7941

Natural Gas Purchase Agreement

Customer: Mesa County

Address: 315 N. Spruce Street, Grand Junction, CO 81501

Telephone: (970) 255-7150 Contact: Mark Reitz

I. The company or individual identified above, hereinafter called Customer, enters into this agreement with AM Gas Marketing Corporation, hereinafter called AMGAS, to serve as the sole supplier of natural gas to Customer for the term of this agreement.

II. AMGAS has entered into (1) gas supply agreements with certain natural gas suppliers, hereinafter collectively called Suppliers, and (2) a Service Agreement with Public Service Company of Colorado, hereinafter called Transporter, for the purpose of natural gas distribution transportation on a non-interruptible basis.

III. Customer agrees to receive gas supplied by Suppliers and transported to Customer by Transporter. Title to gas shall pass to Customer at the Delivery Point specified in the attached Exhibit "A", which is a part of this agreement. AMGAS shall bear and be responsible for the payment of all costs, fees and charges associated with delivering gas hereunder to the Delivery Point. Customer shall bear and be responsible for the payment of all costs, fees and charges incurred after delivery of the gas at the Delivery Point.

IV. CHARGES. The price and terms for gas purchases shall be as specified in the attached Natural Gas Purchase Agreement Confirmation Order (Exhibit "A"). Customer agrees to pay to AMGAS within ten (10) days of receipt of invoice charges for gas, transportation and applicable sales taxes.

V. AGENCY. Customer appoints AMGAS as Customer's agent for the purpose of executing or amending the agreements referenced in Paragraph II above.

VI. TERM. The term of this agreement shall commence on August 1, 2009 (or upon approval by Transporter, whichever comes later), remain in effect for the term specified in Exhibit "A", and shall be renewed for consecutive terms upon agreement between the parties as to succeeding Confirmation Orders (Exhibit A).

VII. COOPERATION. Customer shall give its full cooperation to AMGAS in the performance of its obligations as described herein, including providing AMGAS with gas bills, statements, and other requested information and documentation on a timely basis.

VIII. DISPUTES. In the event of dispute, the prevailing party shall be awarded reasonable attorney's fees.

IX. CONFIDENTIALITY. The terms of this agreement, including but not limited to the price paid for gas, the identified transporting pipelines and cost of transportation, the volumes of gas purchased or sold and all other material terms of this Agreement shall be kept confidential by the parties hereto, except to the extent that any information must be disclosed to a third party for the purpose of effectuating transportation of the subject gas pursuant to the Agreement, or for conducting internal business.

Agreed to and Accepted: _____, 20____

AM GAS MARKETING CORP.

CUSTOMER

By: _____

By: _____

As: _____

EXHIBIT "A"
Natural Gas Purchase Agreement
CONFIRMATION ORDER

Date: _____

This Confirmation Order is made a part of and is subject to all of the terms and conditions set forth in that certain Natural Gas Purchase Agreement dated June 26, 2001 by and between A M Gas Marketing Corp. ("AMGAS") and Mesa County ("Customer").

TERMS:

- 1. Order Period: August 1, 2009 through July 31, 2012.
- 2. Quantity: As required for Mesa County facilities, PSCO Meters No. C1252976 (Human Services/Health), A260369 (Old Courthouse), A946327 (Sheriff's Office), C1252842 (Justice Center), A946314 (CJSD-Escalante), A1207867 (Development Center) and C1253087 (CJSD-New Meth Center) and successors.
- 3. Delivery Point: Customer's meters.
- 4. Price: Northwest Pipeline Corp. Rocky Mountains Index Price, as reported in Inside F.E.R.C.'s Gas Market Report first of month posting for each month of delivery (Index), plus \$.20 (Margin) per MMBTU dry, as delivered to AMGAS, plus transportation (commodity) and capacity reservation charges as per Public Service Company of Colorado Tariff (Colo. P.U.C. No. 6 Gas). Effective August 1, 2010, Margin will increase to \$.25
- 5. Pricing Option: At any time the NYMEX commodity market is in session, Customer may convert Index to a fixed price. The fixed price will approximate the weighted average (based on Customer's usage) of the NYMEX strip less the Northwest Pipeline Rocky Mountain basis as posted on IntercontinentalExchange (offer side). AMGAS may delay the effective date of price conversion until the first of the month following the date of notice. At the effective date, the Margin will increase from \$.20 to \$.25 per MMBtu if the effective date is prior to July 31, 2010 and \$.30 thereafter.
- 6. CRUs: Per customer's existing PSCO Agreement.
- 7. Terms: Invoices to be paid within ten (10) days of receipt. Late charges at the rate of 1.5% per month may be charged for late payment of invoices.

A M GAS MARKETING CORP.

MESA COUNTY

By: _____

By: _____

Title: President

Title: _____

EXHIBIT SIB

A M GAS MARKETING CORP.
 PO Box 912088
 Denver, CO 80291-2088
 (970) 704-0866

CLIENT: CITY OF GRAND JUNCTION
 159 Main Street
 Grand Junction, CO 81501

GAS TRANSPORT BILLING
 PERIOD: Apr-12

ACCOUNT: 1714M1
 INVOICE NO: 20120407
 TERMS: Net 10
 PO # 2011-00020617

You used 418 decatherms (ten therms) per your meter(s)

Xcel charges passed through:

		<u>Unit</u>	<u>Rate/Factor</u>	<u>Total</u>
Rate Schedule	TFL			
Firm Capacity Charge		42	\$6.75	\$283.50
Service & Facility Charge		1	\$72.00	\$72.00
Transportation Charge		418	\$0.3533	\$147.68
Revenue Surcharges		\$503.18	0.51%	\$2.57
Pilot Low Income Adj (1)		1	\$0.00	\$0.00
Gas Transport Cost Adj		418	\$0.0540	\$22.57
Franchise Fee		\$528.32	3.0%	\$15.85
TOTAL XCEL TRANSPORTATION CHARGES				<u>\$544.17</u>

AMGAS Charges:

Natural Gas		418	\$2.15	\$898.70
Fuel Loss		5	\$2.15	\$10.75
Sales Tax		\$1,453.62	0.0%	\$0.00
TOTAL AMGAS CHARGES				<u>\$909.45</u>

PLEASE REMIT: \$1,453.62

YOUR SAVINGS:

Your cost to purchase retail gas from Xcel @	\$3.4869 per decatherm	\$1,457.52
Rate Schedule	CLG	
	Firm Capacity Charge	\$296.48
	Service & Facility Charge	\$62.75
	Franchise Fee	\$45.61
	Sales Tax	\$0.00
	Total Retail Cost	<u>\$1,862.36</u>
	 Total AMGAS Cost	 <u>\$1,453.62</u>
	 Your savings:	 <u>\$408.74</u>

Note 1: From the Public Service Company of Colorado Tariff: "The Company [PSCO] shall include as a part of the Service and Facility Charge...an amount approved by the [Colorado Public Utility] Commission to recover the costs associated with the Company's Pilot Energy Assistance Program...."

A M GAS MARKETING CORP.
Post Office Box 7941
Aspen, CO 81612-7941

(970) 704-0866

FAX (303) 484-3395

April 25,2016

Mr. Duane Hoff, Jr.
Senior Buyer
City of Grand Junction, Colorado
Grand Junction City Clerk's Office #111
250 N. 5th Street
Grand Junction, CO 81501

RE: CONFIDENTIAL ADDENDUM, RFP-4183-16-DH, 3rd Party Natural Gas Services

Dear Duane:


The most recent financial statements of A M Gas Marketing Corp. are attached as part of this Confidential Addendum.

I would call your attention to Note 5: Line of Credit, Credit Facility and Supply Agreements. AMGAS has a credit support agreement with Pacific Summit Energy ("PSE"), which is a subsidiary of Sumitomo Corp., a large Japanese trading company. Under the agreement, all the gas we supply to our customers is purchased on our behalf by PSE, but delivered to us for transport to our customers. As security for this service, all payments to us go into a lockbox that is controlled by PSE. PSE charges us a per dth fee for this service. PSE's credit support allows us to operate without posting letters of credit with each of our gas suppliers. This arrangement gives us the same creditworthiness as a much larger company without having to tie up \$2-3 million in collateral for letters of credit.

Additionally, as part of this Confidential Addendum, AMGAS requests a waiver from Section 3.0 of the RFP, Insurance Requirements. These requirements should not apply to Proposer because Proposer has not in the past and does not intend in the future to provide any onsite services to Owner. AMGAS employees and contractors have never been on Owner's property except for the occasional office meeting, possibly two such meetings in the past five years. Additionally, during the past twenty-one years, AMGAS has never had an insurance claim and has never been the defendant in any lawsuit.

All onsite work required under this Proposal will be performed by Xcel Energy personnel or phone line contractors who meet the insurance requirements of Section 3.0 of the RFP.

Very truly yours,

 Barton J. Levin
2016.04.25
08:20:04 -06'00'

Barton J. Levin
President

