Request for Proposal

Coal

July 21, 2016

#JG072116

A VASCUPP Member Institution
Issued by
Procurement and Supplier Diversity Services
Charlottesville, Virginia
A. GENERAL INFORMATION

Request for Proposal (RFP) Name: Coal

RFP Number: #JG072116

Issue Date: July 21, 2016

Brief Description: Coal for the Heat Plant facility.

Preproposal Questions: Any questions concerning this RFP must be sent to the buyer listed below no later than 3:00 pm on Monday, August 1, 2016 in order to guarantee a timely response prior to the proposal due date.

Proposal Due Date: 3:00 p.m. on Thursday, August 4, 2016. Proposals may be sent via courier or U.S. mail using the contact information in the box below. Provide four copies of each proposal. The University of Virginia (the “University”) reserves the right to reject proposals received after the stated due date and time.

Negotiations: Negotiations, if needed, will be held on Wednesday, August 24, 2016

Expected Award Date: Friday, September 2, 2016

Term of Agreement: The term of a resulting Agreement will be for five years, with the ability to renew on the same terms and conditions, for one additional two-year periods if mutually agreeable to the University and the Selected Firm. The Selected Firm and the University will mutually agree at least 180 days prior to each renewal period whether to renew the terms of the Agreement.
This Request for Proposal (RFP) has been posted on Procurement Services web site for your convenience. Addenda and attachments are posted if issued. The RFP can be downloaded at this web site: http://www.procurement.virginia.edu/main/publicpostings/RFP.html. It is the firm’s responsibility to ensure that the latest version of the entire RFP and related links are reviewed prior to submission of a proposal. We encourage you to check the web site frequently for any changes prior to the due date. Call (434) 924-1346 if you have trouble accessing the RFP from the web. For questions about the content of the RFP, contact the buyer listed above. Additional information can be found on Procurement Services web site: http://www.procurement.virginia.edu/main/

For ease of reference, each firm or individual receiving this RFP is referred to as a “firm” and the firm or individual selected to provide services for the University is referred to as the “Selected Firm.” This RFP states the instructions for submitting proposals and the procedure and criteria by which a firm may be selected.

B. SCOPE OF GOODS & SERVICES

The University and its Department of Facilities Management seeks a qualified firm to supply the coal needs based on specification provided by the University. The Heat Plants at the University provide critical services affecting approximately 85% of the facilities on Grounds including the Hospital, research facilities, academic buildings and resident halls. High pressure steam, medium temperature hot water and domestic hot water are required for operating room and patient room space conditioning, surgical equipment sterilization and
treatment processes. On-going long term research and animal care facilities depend on consistent heating products. In addition, student services including food preparation and space conditioning require heating products.

While the University currently handles coordinating the movement of the coal from the mine to its unloading facility; the University desires to have a single point of responsibility and to place orders with the Selected Firm for coal to be delivered. The University anticipates needing approximately 11,000 tons per year based on the product specifications below:

- Moisture-8%
- Ash- 12%
- Btu- 12,600
- Sulfur- 1.40%
- Grind- 43
- Carbon- 70 (Dry)
- Size- 2” x 0
- Fines-.25” x 0 (5%)

The Appendix A, Actual Heat Plant Usage in Tons, listed below contains the actual coal usage for the past year. It is the University’s intent to supplement natural gas with coal during the winter months of November, December, January, February and March. As such coal orders will be placed to result in filling the empty silos by the beginning of November and to result in empty silos by the end of March.

Minimum heat content per shipment must be 11,900 Btu/lb HHV (Higher Heating Value) or loads will be rejected and the maximum sulfur content per shipment must be 1.4% or less or the loads will be rejected. Additionally, the University’s air permit requires that the minimum annual average heat content be 12,100 Btu/lb.

The coal must be delivered by rail, generally four to eight cars are needed to meet the weekly burn demands and additional cars might be ordered to rebuild inventory as necessary. The Buckingham Branch Railroad services the University’s Heat Plant and has access to both CSX and Norfolk Southern rail lines. The University’s storage silos can hold 3,600 tons in total and the facility can unload four bottom hopper railcars in a 24 hour period.

The University requires a fuel certification be sent when the cars are weighted with the following information:

- The name of the fuel supplier.
- The location of the coal when the sample was collected for analysis to determine the properties of the coal, specifically including whether the coal was sampled as delivered to the facility or whether the sample was collected from coal in storage at the mine, at a preparation plan, at a coal supplier’s facility, or at another location. The certification needs to include the name of the coal mine (and coal seam), coal storage facility, or coal preparation plant (where the sample was collected).
- The date on which the coal was shipped.
• The weight of coal delivered in the shipment.
• The results of the analysis of the coal from which the shipment came (or of the shipment itself) including the sulfur content, moisture content, ash content, and heat content.
• The methods used to determine the properties of coal.
Some previously negative issues that routinely are experienced include:
• Lack of inventory due to unavailability of empty cars and inconsistent full rail car delivery.
• High fines, wet coal, and freezing conditions create unloading problems.
• Similarly high fines, wet coal and freezing conditions cause drag chain conveyor failures.
• High fines content results in erratic coal combustion and boiler header pressure control.

C. BASIS OF SELECTION

Proposals will be evaluated based upon the overall merits/value of the proposal including, but not limited to, price. The University will evaluate proposals, and if a firm is to be selected, select the firm on the basis of:

1. The firm's plan to provide the University with the products as described in the Scope of Good and Services section, including resolving the negative issues listed;
2. The firm’s experience in providing Goods and Services similar to those described in this RFP, to include the firm’s references from clients.
3. The firm’s price proposal;
4. The firm’s Small, Woman-owned and Minority-owned (SWAM) businesses status and/or the firm’s plan for utilization of SWAM businesses. For more information about SWAM and the University’s SWAM plan, please see the letter at Attachment 1 and refer to the following site: www.procurement.virginia.edu/main/publicpostings/rfp/SWAMplan.pdf

Note 1: A 10% minimum weight will be given to this criterion in evaluating proposals.
Note 2: Any questions related to SWAM business and SWAM subcontracting opportunities can be directed to Les Haughton, in the University’s Supplier Diversity program, at (434) 924-7174 or SWAM@virginia.edu.

D. CONTENTS OF PROPOSAL

Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content, and should be organized in the order in which the requirements are presented in the RFP. Firms should provide the following information:
1. A brief history of the firm and its experience, qualifications, success, and safety record in providing the type of product requested.

2. Provide a brief narrative on how your firm, or the firm you plan to use, removed the coal from the mine. Identify the specific mines that will be used to supply the University. Will the coal be coming from underground mining or surface mines.

3. Describe the interaction between your firm and the University. How would the ordering process function. How would communication about the transportation process work?

4. Discuss your firm’s relations and experiences with the railroad your firm proposes to use.

5. If the price is not held for five years, explain how the years two through five would have the price determined. If the price is tied to an index, list which one. Firms can provide the University prices with and without freight included. The product price can be based on Btu or by the ton.

6. Explain your firm’s quality assurance program. Describe the specific testing your firm will utilize to insure the compliance with the materials specification. What additional tests can you firm perform?

7. Provide at least three references where similar goods and/or services have been supplied. Include the name of the firm or organization, the amount of coal sold on an annual basis, the complete mailing address, the name of the contact person, their email address and their telephone number.

8. The firm’s Small, Woman-owned and Minority-owned (SWAM) businesses status and/or how the firm intends to utilize SWAM firms in regards to this particular procurement.

9. Complete and return the information requested in Attachment 2, Firm Information.

NOTE: Virginia Freedom of Information Act
Except as provided below, once an award is announced, all proposals submitted in response to this RFP will be open to the inspection of any interested person, firm or corporation, in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by firms as part of its proposal will not be subject to public disclosure under the Virginia Freedom of Information Act; however, the firm must invoke the protections of this section prior to or upon submission of its proposal, and must identify the specific data or other materials to be protected and state the reasons why protection is necessary. Firms may not request that its entire proposal be treated as proprietary information.

E. TERMS AND CONDITIONS

This solicitation and any subsequent award are subject to:

- The Selected Firm registering as a vendor with the University of Virginia.
  https://www.procurement.virginia.edu/forms/USVendorRegForm.html

- The Selected Firm registering and accepting eVA Terms and Conditions prior to award.
  http://www.eva.virginia.gov/
• The University’s Mandatory Contractual Provisions:
• The University’s Preferred Contractual Provisions:

**Note:** Unless a firm expressly and specifically states its exception to any of the Preferred Provisions in its written proposal, then the proposal from the firm will automatically be deemed to include those Provisions.

• The University's Procedure for Resolution of Contractual Claims

### F. OTHER INFORMATION

**A. Insurance**

Listed below is the insurance the Selected Firm must maintain under any Agreement resulting from this RFP. In no event should the Selected Firm construe these minimum required limits to be their limit of liability to the University. The Selected Firm will maintain insurance which meets or exceeds the requirements of the University with insurance companies that hold at least an A- financial rating with A.M. Best Company. No Agreement will be executed by the University until the Selected Firm satisfies the insurance requirements of the University. The Selected Firm may be required to provide the University with a valid Certificate of Insurance before providing any goods or services to the University. The University reserves the right to approve any insurance proposed by the Selected Firm.

**Commercial General Liability:**
The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of $1,000,000 per occurrence with coverage for the following coverage:

- {X} Premises/Operations
- {X} Products/Completed Operations
- {X} Contractual
- {X} Independent Contractors
- {X} Personal Injury

**Automobile Insurance:**
The Selected Firm and any Subcontractor will provide a minimum combined single Limit of Liability for bodily injury and property damage of $500,000 per occurrence with the following coverages for vehicles operated by their employees.

- {X} Any Automobile
- {X} Owned and Non-Owned Automobiles

**Professional Errors and Omissions Liability:**
The Selected Firm and any Subcontractor will maintain professional liability coverage of at least $1,000,000 and an aggregate limit of not less than $2,000,000.
Greetings:

The University of Virginia is able to deliver excellent education, research, healthcare, and public service because the high value support from you and all our suppliers of goods and services. Thank you for sharing our commitment to excellence. As a University, we are committed to diversity within our students, our faculty and staff, and our vendors and contractors. An important part of our procurement program involves our commitment to doing business with small, women- and minority-owned (SWaM) businesses. We look to you to help us achieve this objective.

We currently have a substantial volume of activity with small firms; however, we are striving to increase the number of substantial, long-term business relationships with minority- and women-owned businesses. We need your help here.

I have two requests. First, I ask that you actively seek out opportunities to involve small, women-and minority-owned businesses as you deliver services to UVa. Our team in Procurement and Supplier Diversity Services will assist you in identifying qualified diverse business partners. Second, please report your success in this area through our quarterly subcontracting reports – this is critical in quantifying how well we are meeting our goals. The terms and conditions previously provided to your organization outlined this process.

This effort is important to the University. We truly appreciate your efforts to join us in this commitment and partnership towards excellence.

Sincerely,

Melody S. Bianchetto
Vice President for Finance
## Attachment 2

### Firm Information

<table>
<thead>
<tr>
<th><strong>Full Legal Name</strong> <em>(Company name as it appears with your Federal Taxpayer Number):</em></th>
</tr>
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<tbody>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>Telephone Number:</td>
</tr>
<tr>
<td>Web Address:</td>
</tr>
<tr>
<td>Email Address:</td>
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<tr>
<td>DUNS Number:</td>
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**SWAM Information:**

Is your firm certified with the Commonwealth of Virginia’s Department of Minority Business Enterprises (DMBE): ☐ Yes ☐ No

- Minority-Owned Business: ☐ Yes ☐ No
- Women-Owned Business: ☐ Yes ☐ No
- Small-Owned Business: ☐ Yes ☐ No

Is your firm registered as a vendor in the Commonwealth of Virginia’s e-procurement system (eVA)? ☐ Yes ☐ No

**Point of Contact for this Proposal:**

Name:  
Address:  
Office No. | Mobile No. | FAX No.  
Email Address:
Appendix A
Actual Heat Plant Usage in Tons

<table>
<thead>
<tr>
<th>Month/Year</th>
<th>Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct 2016</td>
<td>521</td>
</tr>
<tr>
<td>Nov 2016</td>
<td>1073</td>
</tr>
<tr>
<td>Dec 2016</td>
<td>1049</td>
</tr>
<tr>
<td>Jan 2016</td>
<td>1240</td>
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<tr>
<td>Feb 2016</td>
<td>2539</td>
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<td>April 2016</td>
<td>1780</td>
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