

**REQUEST FOR PROPOSALS NO. 18-27
S-00319666**

Renewable Natural Gas for STIA

PROPOSAL DUE DATE: April 12, 2019 at 2:00 P.M PT

PORT OF SEATTLE
Central Procurement Office
Pier 69
2711 Alaskan Way
Seattle, Washington 98121

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206-787-6523

Proposal Issue Date: January 8, 2019

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REQUEST FOR PROPOSALS RENEWABLE NATURAL GAS

SOLICITATION NO: 18-27

PURPOSE: Delivery of Renewable Natural Gas to the Seattle-Tacoma International Airport (STIA).

BACKGROUND: The Port of Seattle is soliciting Proposals for the delivery of Renewable Natural Gas to provide fuel for heating and transportation at STIA. Award will be made to the Proposer offering the best value to the Port in accordance with the terms and conditions of this solicitation.

SOLICITATION ISSUE DATE: JANUARY 8, 2019
PRE-PROPOSAL CONFERENCE: JANUARY 29, 2019, 10AM PT (STIA)
PROPOSAL DUE DATE: April 12, 2019, 2:00 P.M PT

Offerors are required to submit proposals no later than the due date/time set forth in the solicitation.

In addition to the Proposal narrative, Proposers must complete and submit the following with their Proposal:

Attachment A - Protest Procedures
Attachment B- Schedule of Pricing
Attachment C- Monthly Natural Gas Usage Profiles
Attachment D - Entity Information Sheet

PORT OF SEATTLE POINT OF CONTACT:

Farlis Lewis, Senior Buyer, Lewis.F@PortSeattle.org

NOTE: Potential Proposers are instructed to read all Sections of the Solicitation to familiarize themselves with all Solicitation terms and conditions and to identify dates, times, and submittal requirements related to the development and submittal of Proposals. Proposers are further instructed to submit any questions or requests for clarification regarding this Solicitation to PRMS as soon as practicable.

SECTION I

INSTRUCTIONS FOR PREPARATION AND SUBMITTAL OF PROPOSALS

INSTRUCTIONS FOR PREPARATION & SUBMITTAL OF PROPOSALS

You must register on the Port of Seattle’s Procurement and Roster Management System (PRMS) to be included on the official plan holders list for this solicitation RFP 18-27. To do this, you must obtain a login to PRMS, ensure your login has been associated to your company, and add yourself to the “Plan Holders List”. If you do not, you will not receive email notifications of addenda or other important information concerning this solicitation. <https://hosting.portseattle.org/prms/>

1. INTRODUCTION

- 1.1 The Port of Seattle (Port) is soliciting proposals for the delivery of Renewable Natural Gas to SeaTac International Airport (STIA). The purpose and intent of this solicitation is to award a contract to a Vendor who proposes the best value to the Port considering both price and non-price factors.
- 1.2 The base contract term will be determined at the time of award. The full scope of the services and requirements are specified in this Solicitation.
- 1.3 The terms Request for Proposal (RFP) and Solicitation carry the same meaning and are used interchangeably throughout this document.

2. ANTICIPATED PROCUREMENT SCHEDULE:

The following are anticipated milestone dates which are provided for planning purposes only.

Event	Anticipated Date
Solicitation Issue Date	January 8, 2019
Pre-proposal meeting	January 29, 2019, 10:00 a.m. PT
Final Questions Due to PRMS site	March 12, 2019, 10:00 a.m. PT
Due Date for Proposal Submission	April 12, 2019, 2:00 p.m. PT
Proposal Evaluation & Negotiation Period	March to October 2019
Notice of Intent to Award	October 14, 2019
Contract Execution	October 28, 2019
Contract Service Begins	November 1 st , 2019

3. PRE-PROPOSAL MEETING

- 3.1 An optional pre-proposal conference will be held at Sea-Tac International Airport, Central Auditorium on the mezzanine level across from USO on Tuesday, January 29, 2019 beginning at 10:00 a.m. PT. This Pre-Proposal meeting will be held to discuss the RFP Requirements. Prospective Proposers are encouraged to have read through the RFP package in its entirety, be present and participate, including proactively seeking clarification and asking questions. If changes to the terms and conditions of this RFP are required as a result of the meeting, written addenda will be issued via the Port's Procurement and Roster Management System (PRMS).
- 3.2 Proposers who wish to attend this meeting are to pre-register and notify the Port Purchasing Representative, Farlis Lewis (lewis.f@portseattle.org), providing your firm name and number of attendees, by 10:00 a.m., Monday January 28, 2019. The title of the email shall read "*RFP 18-27, 'Insert company name' Site Tour Attendees*".
- 3.3 The Port will attempt to address any questions or request for clarification during the Pre-Proposal conference. Any information provided at the Pre-Proposal conference that may be construed to be inconsistent with the express terms and conditions of this RFP is unofficial and non-binding on the Port unless and until that information is issued by the Port via written solicitation addenda via the PRMS site.
- 3.4 Directions to the Mezzanine level at Sea-Tac Airport can be found here: <https://www.portseattle.org/page/conference-center-location-directions>.
- 3.5 Please note: Parking Validations will not be provided.

4. NOTIFICATION TO PROPOSERS

- 4.1 **Addenda to solicitation.** If this solicitation is changed via addenda, all terms and conditions that are not changed remain in full force and effect.
 - 4.1.1 Addenda will be issued on the PRMS to all Proposers who have registered as a plan holder prior to the required due date and time for the submission of Proposals at <https://hosting.portseattle.org/prms/>.
 - 4.1.2 Each Proposer shall acknowledge in its submitted Proposal that it has obtained all Addenda issued. It is the sole responsibility of the Proposer to obtain all addenda.
 - 4.1.3 All Addenda issued shall become part of the Contract resulting from this solicitation.

4.2 Submission, modification, revision, and withdrawal of proposals.

- 4.2.1 The due date and time for submission of Proposals is April 12, 2019 at 2:00 p.m. Pacific Time.
- 4.2.2 Proposers are responsible for submitting proposals to the PRMS system via email at e-submittals-purch@portseattle.org, including any modifications or revisions, so as to reach the PRMS site by the April 12, 2019 2:00 p.m. due date and time specified for submission of proposals.
- 4.2.2.1 The e-mail shall include the RFP number, title, and Proposal due date and time in the subject line of the e-mail.
- 4.2.2.2 The Port's e-mail server will not accept files larger than 10 MB. If the Proposal file is larger than 10MB it shall be sent in multiple emails in accordance with III.B.1.i and be labeled "Email 1 of 5," "Email 2 of 5," etc.
- DO NOT submit any compressed files including .ZIP. By Port security policy, all compressed files including .ZIP file attachments are removed/dropped at the email firewall and will not be accessible as part of your Proposal submittal. Failure to heed this direction may result in your Proposal submittal being considered late and not eligible for evaluation or award.*
- 4.2.2.3 The Port may use the time stamp on the e-mail(s) to determine timeliness.
- 4.2.2.4 The Port is not responsible for the Proposer's technical difficulties in submitting Proposals to the PRMS.
- 4.2.2.5 Any proposal, modification, or revision submitted and received at the PRMS after the due date and time specified for submission of Proposals may be rejected.
- 4.2.3 Proposers shall submit proposals in response to this solicitation in English and in U.S. dollars.
- 4.2.4 Proposers may submit modifications or revisions to their proposals at any time before the due date and time established for the submission of proposals.
- 4.2.5 Proposers may submit revised proposals after the due date and time specified for submission of proposals only if requested or allowed by the Port.

4.2.6 Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of written notice by the Port.

4.2.7 Narrative portions of the Proposal shall be formatted in searchable .pdf format. Each Proposal Section shall be limited to the page limit amount listed below in the instructions section. Content shall be on letter-sized (8.5" x 11") pages and have a font no smaller than size 11. In the event that the Proposal submittal exceeds any identified page limitation, pages exceeding the stated maximum page limit will not be considered or evaluated. After removal of the excess pages, the submittal may be rejected if the Port concludes that it would not have a reasonable chance for award.

4.3 **Communications with the Port**

4.3.1 Communication with the Port regarding this procurement shall be directed to Farlis Lewis, Senior Buyer, at Lewis.F@portseattle.org. Any direct communications with any other Port employee or representative regarding this solicitation and/or evaluation may result in rejection of the Proposal.

4.4 **Interpretation, Clarification, and Requests for Information**

4.4.1 Proposers shall promptly notify the Port of ambiguities, inconsistencies, or errors, if any, which they may discover upon examination of these solicitation terms and conditions.

4.4.1.1 Every request for interpretation, clarification or question about these solicitation terms and conditions shall be submitted to the Port through the Port's Procurement and Roster Management System (PRMS) at <https://hosting.portseattle.org/prms/>. Proposers are highly encouraged to submit any and all requests for interpretation, clarification or questions about the solicitation terms and conditions as soon as practicable throughout the proposal phase. To be given consideration, submittal of clarifications, questions, and requests for information must be submitted no later than thirty (30) days prior to the due date and time established for submission of Proposals. The Proposer making any request is solely responsible for the timely submission of said request.

4.4.1.2 The Port's responses to requests, if there are any, will be issued in the form of written Addenda to this Solicitation which will be posted to the PRMS system.

4.4.2 All written and/or oral communications not expressly included in issued addenda will be considered unofficial and non-binding on the Port. Reliance on any information not expressly included in the solicitation terms and conditions or in issued addenda thereto shall be done so at the sole risk and expense of the Proposer.

4.5 Qualifications of Proposers

4.5.1 The Proposer must be familiar with all Federal, State and local laws, ordinances and regulations which in any manner might affect those engaged or employed in meeting requirements described in this Solicitation and included Scope of Work, the materials, equipment or procedures applicable to meeting the requirements described in this Solicitation and included Scope of Work, or which in any other way would affect the conduct of meeting the requirements of this Solicitation and included Scope of Work.

4.5.2 The Proposer must be registered and licensed as may be required by the laws of the State of Washington at the time Proposals are submitted and throughout the period of performance of the contract resulting from this solicitation.

4.6 Proposer's Representation

The Proposer represents that:

4.6.1 The Proposer has read and understands all solicitation terms and conditions and that the Proposal being offered is done so in accordance with all solicitation terms and conditions. The failure or omission of the Proposer to examine all pertinent forms, instruments, applicable statutes, or other terms and conditions shall in no way relieve the Proposer from the contractual obligations required by the solicitation terms and conditions.

4.6.2 The Proposer has the qualifications and is eligible to receive an award of the Contract under applicable laws and regulations and has the capacity to perform the requirement of the Contract resulting from this Solicitation within the time specified.

4.6.3 The Proposal is based upon the requirements described or presented in the solicitation terms and conditions and described in detail in the Scope of Work.

4.6.4 The Proposal submitted is unconditional in all respects.

4.7 Public Disclosure

4.7.1 All Submittals, including all attachments, shall become property of the Port and are considered public documents under applicable Washington State laws. All documentation provided to the Port may be subject to disclosure in accordance with Washington State public disclosure laws. The Port will determine whether requested documents should be disclosed. In no event shall the Port be liable for any disclosure of documents and information it deems necessary to disclose under the law.

4.8 Proposal expiration date

4.8.1 Proposals submitted in response to this solicitation will be valid for a period of 270 days from the date of proposal submission.

4.9 Notice of Intent to Award

4.9.1 The Proposer offering the best value to the Port will receive a "Notice of Intent to Award."

4.9.2 If the intended Contract Awardee fails to execute the Contract on the form(s) provided by the Port within fourteen (14) days from receipt of the Notice of Intent to Award, or declares in writing its intent to not execute the Contract, the Port may provide Notice of Intent to Award to the next Proposer offering the best value to the Port and continue in like manner until the Contract is executed by a responsible Proposer to whom award is made, or further Proposals are rejected or the number of Proposals is exhausted.

4.10 Rights of the Port

4.10.1 The Port retains the right to cancel the procurement and reject any or all Proposals with no liability to the Port.

4.10.2 The Port may reject any or all proposals if such action is in the Port's interest.

4.10.3 The Port may waive informalities and minor irregularities in proposals received.

4.10.4 The Port reserves the right to conduct clarifications or discussions at any time with one (1) or more of the Proposers. The Port further reserves the right to call for Final Proposal Revisions from the most highly rated Proposers.

4.10.5 The Port reserves the right to make multiple awards if it is in the Port's best interest to do so.

4.10.6 The Port reserves the right to reject any Proposer that submits an incomplete or inadequate Proposal or is not responsive to the requirements of this solicitation.

4.10.7 The Port may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Port determines that the lack of balance poses an unacceptable risk to the Port.

4.10.8 The Port reserves the right to take any action affecting the procurement process that is determined to be in the best interest of the Port.

4.11 *Protest Procedures*

4.11.1 See Attachment A to this document.

5. TECHNICAL AND PRICE PROPOSAL INSTRUCTIONS

5.1 *Price Proposal Instructions:*

5.1.1 Proposers are hereby instructed to complete the Schedule of Prices included as an MS Excel file (Attachment B) to this solicitation document. All line items shall be completed.

5.2 *Technical Proposal Instructions:*

Proposers are hereby instructed to fully address the questions and requests for information included below in their proposals. Proposals shall be formatted in searchable .pdf format. Failure to adequately address any of the questions or requests for information may result in a less favorable evaluation assessment or outright rejection of the proposal.

5.2.1 **Proposer Information and Primary Staff Contact (3 page limit)**

5.2.1.1 Full entity name

- 5.2.1.2 Entity address
- 5.2.1.3 Indicate if entity is a subsidiary of a parent entity or entities, and if so, name(s) of parent entity or entities.
- Please provide a chart identifying the ownership structure.
- 5.2.1.4 Indicate if the company is a **marketer** offering RNG and fossil gas delivered to STIA or “virtual” RNG injected into an interstate pipeline and eligible for swapping, or if the company is a **producer** offering only “virtual” RNG injected into an interstate pipeline and eligible for swapping. A producer may not submit a gas delivery project for consideration without a contracted marketer that can deliver gas to the Delivery Point.
- 5.2.1.5 Primary staff (e.g. Business Development or Market Services Manager), contact information: (title, office location, phone number(s), email, etc.).
- 5.2.1.6 Provide available information on Proposer’s financial viability including the most current annual report(s) and or financial statement(s) from the responding entity and parent entity or entities, as applicable (annual reports and financial statements will not be counted towards page limits).

5.2.2 Proposer Experience (for Gas Marketers Only) (10 page limit)

- 5.2.2.1 Key personnel (directly involved in RNG purchase and transmission) make-up and experience which may include brief resumes of Proposer’s relevant personnel and management.
- 5.2.2.2 Experience and qualifications in contracting with RNG project developers, designers, and operators, as well as contracting to sell and deliver long-term supplies. Proposer should highlight its experience as it relates to:
- the number of contracts and delivery volumes with projects utilizing landfills, wastewater, and single or multiple feedstock digesters (identify project characteristics and location(s);
 - projects of similar size, scope, and capacity (100,000 MMBtu/year and greater);
 - load balancing experience and considerations;

5.2.3 Proposer Experience (for Developers Only) (10 page limit)

5.2.3.1 Key personnel (directly involved in RNG project development, RNG sales and transmission) make-up and experience which may include brief resumes of responder's relevant personnel and management.

5.2.3.2 Experience and qualifications in developing, designing, constructing, operating and maintaining RNG-to-pipeline or electricity generation facilities, as well as contracting to sell and deliver long-term supplies. Proposer should highlight its experience as it relates to:

- projects utilizing landfills, wastewater, and single or multiple feedstock digesters (identify project characteristics and location(s));
- projects of similar size, scope and capacity (100,000 MMBtu/year and greater);
- specific engineering, procurement and construction (EPC) contractors being considered for any new project or contractors which were used to construct existing project(s);
- projects interconnected with natural gas pipelines

5.2.3.3 Proposer experience and history in obtaining financing for RNG facilities.

5.2.4 RNG Facility Information (25 page limit for each facility, excluding pro forma)

5.2.4.1 Provide a brief overview of the total aggregate annual RNG available to the Port for its boilers and CNG fueling station from all RNG facilities, and the method of delivery for each.

5.2.4.2 Provide the following information for each proposed RNG resource that Proposer anticipates will be available to fulfill a transaction with the Port:

5.2.4.2.1 Project name and location:

- What is the status of securing the land for production site?

5.2.4.2.2 Type of project (i.e. landfill, anaerobic digester, etc.):

5.2.4.2.3 Anticipated commercial operation date:

- 5.2.4.2.4 Maximum facility output in MMBtu/day:
- 5.2.4.2.5 Average facility output in MMBtu/day:
 - Will this change over time? If so, what is the projection of the RNG production for each year of the proposed term?
- 5.2.4.2.6 Indicate whether the project is an expansion of a currently operating facility or a new facility.
- 5.2.4.2.7 Available RNG production for STIA (may be all or a portion of total project capacity)
- 5.2.4.2.8 Confirmation of legal rights to source feedstocks or raw biogas.
- 5.2.4.2.9 Briefly describe the feedstock source contracts
- 5.2.4.2.10 What is the length of the contracts, are the contracts firm or interruptible?
- 5.2.4.2.11 What are the risks to the availability of feedstock?
- 5.2.4.2.12 If legal rights have not been obtained yet, please indicate an estimated date for execution agreements including necessary milestones to achieve the execution date.
- 5.2.4.2.13 If there are other byproducts from the project (i.e. solid and/or liquid digestate), please briefly describe the plan for disposing of them
- 5.2.4.2.14 Please indicate any annual limits on number of hours of planned outages.
- 5.2.4.2.15 What is the status of obtaining funding to support the project?
- 5.2.4.2.16 Define the key challenges and risks impacting the success of the project.
- 5.2.4.2.17 Describe the environmental attributes of the RNG available to transfer to the Port. For any attributes not available, identify and provide specific information (e.g. methane destruction credits sold to California Cap and Trade system, RINs sold in bulk with other projects, etc).

- 5.2.4.2.18 If it is an anaerobic digester project, will the project be able to produce D3 RINs for approximately 10% of the RNG volumes?
- If not, what is the estimate volume of RNG produced eligible for D3 RINs?
- 5.2.4.2.19 Interconnection point with the natural gas pipeline system:
- Pipeline company name
 - Is the interconnection point to a transmission or distribution pipeline?
- 5.2.4.2.20 Current status of interconnection with pipeline (i.e. in negotiations, determined there is capacity, etc.) and a list of anticipated completion dates for significant milestones.
- 5.2.4.2.21 Describe options and costs to address load balance (difference between RNG supply and seasonal demand of STIA)
- 5.2.4.2.22 Please provide a pro forma for the facility for the proposed term of this agreement
- 5.2.4.2.23 Describe the plans for complying with all local, state, and federal environmental and regulatory requirements, and willingness to assume the costs of compliance with future regulations or requirements.
- 5.2.4.2.24 Please indicate preferred contract term (minimum of 10 up to 20 years) and provide a brief explanation for this preference.

5.3 Contract Terms and Conditions Instructions:

- 5.3.1 The Port intends to award a contract substantially in accordance with the Port's General Terms and Conditions, which are included in Section II (Pages 29-45) of this solicitation. If a Proposer believes that specific changes to the Port's General Terms and Conditions are necessary, the Proposer must provide a redlined copy as an appendix to its Proposal, along with explanations for all requested changes. Proposers must additionally include any other required terms, conditions, or any other agreements that Proposers will require as an appendix to its Proposal. Except to the extent a Proposer provides an appendix to its Proposal with requested changes or additional terms and conditions, Proposers represent that they have read the Port's General Terms and Conditions and agree to be bound by them.

6. TECHNICAL EVALUATION CRITERIA

- 6.1 The Port seeks to obtain renewable natural gas via one or more marketers (aka 'wheeler') who can supply RNG, meeting up to 100% of STIA's current and future demand after November 1, 2019 for a 10- to 20-year term. Although not preferred, the Port will consider RNG supplied "virtually" (i.e., RNG injected into a common carrier pipeline system and delivered by the marketer to the Port through an exchange rather than through direct transportation) as further described under "Eligibility Requirements - Delivery" below.
- 6.2 By participating in this RFP process, the Proposer acknowledges that it has read, understood, and agrees to the terms and conditions set forth in this solicitation. The Port reserves the right to reject any offer that does not comply with the requirements identified herein. Furthermore, the Port may, in its sole discretion and without notice, modify, suspend, or terminate the Solicitation without liability to any organization or individual. The Solicitation does not constitute an offer to buy or create an obligation for the Port to enter into an agreement with any party, and the Port shall not be bound by the terms of any offer until the Port has entered into a fully executed agreement.
- 6.3 The Port reserves the right, without qualification, and in its sole discretion, to modify, suspend or withdraw this Solicitation, accept or reject any or all responses for any reason at any time after submission, or to enter into one or more agreements at any time with one or more respondents who, in the sole opinion of the Port, will provide the greatest value to the Port. To that end, the Port reserves the right to contract with other than the lowest price Proposer or with other than the respondent evidencing the greatest technical ability, if the Port, in its sole discretion, determines that to do so would result in the greatest value to the Port.
- 6.4 The following criteria will be considered in evaluating Proposals received in response to this solicitation:
- 6.4.1 **Proposer Experience and Qualifications.** The Port will evaluate this criterion based on the information provided under Section 5.2; Items 5.2.2 and 5.2.3. Information learned during interviews, discussions, negotiations and/or included in Final Proposal Revisions may impact the final rating of these evaluation criteria.
- 6.4.1.1 Gas marketer(s) with at least three years of experience selling and transporting RNG from multiple production facilities and contracting with multiple project developers from different types of facilities (landfills, digesters, etc) will be evaluated more favorably.
- 6.4.1.2 Project developers of 'virtual swap' RNG projects with experience obtaining financing, developing projects, and

contracting for the supply of “virtual gas” into the U.S. common carrier natural gas pipeline system without direct delivery directly to the recipient will be evaluated more favorably.

6.4.2 RNG Sources and Status of Development. The Port will evaluate this criterion based on the information provided under Section 5.2.4; Items 5.2.4.1 - 5.2.4.2.16. Information learned during interviews, discussions, negotiations and/or included in Final Proposal Revisions may impact the final rating of this evaluation criteria.

6.4.2.1 The RNG must qualify as Advanced Biofuel or Cellulosic Biofuel, as defined in 40 C.F.R. § 80.1401, from landfills, wastewater treatment plants, or anaerobic digestion of other organic wastes). Projects that generate RNG that qualifies as Cellulosic Biofuel will be evaluated more favorably.

6.4.2.2 RNG production must occur in the United States. Eligible RNG production sources for the Port’s heating fuel must consist of the following: (i) a new facility, (ii) an existing facility but only with respect to fuel volumes that have been vented or flared for at least the last three years or since commencement of fuel production, whichever is shorter, and (iii) an expansion of an existing facility but only with respect to increased fuel production over the facility’s average production over the last three years. In addition, the Port must be the first entity to contract (directly or indirectly) for the RNG volumes dedicated to the Port’s heating fuel. The Port does not require all of the output of any given eligible source and will consider RNG produced from multiple eligible sources. The Port will consider existing RNG production sources for its transportation fuel.

6.4.2.3 The Port will consider proposals relying on facilities in any stage of development from preliminary planning to a completed facility. Projects at a more advanced stage of development with at least some or all of the key entitlements/permits obtained may be evaluated more favorably. Respondent must demonstrate that its RNG production source(s) is/are at a sufficient stage of development that delivery can commence to STIA on Nov 1, 2019, but will consider delivery of RNG as late as April 2020 (with fossil supply in the interim). If multiple RNG sources are required to meet the Port’s volume and are anticipated to come on-line at different intervals, the anticipated dates and sources must be described. Demonstration

of this requirement includes one or more of the following which shall be included with the submission of the technical proposal:

- 6.4.2.3.1 Affidavits from the RNG project developer submitted to U.S. EPA to support Renewable Volume Obligations within renewable fuel standard RFS2;
 - 6.4.2.3.2 Photographs and planning documents showing the stage of development, state of pipeline interconnection, and agreement with pipeline operator;
 - 6.4.2.3.3 Agreements with other RNG fuel off-takers, with dates of scheduled delivery clearly stated. Price structures and other sensitive information may be redacted.
 - 6.4.2.4 Proposer must provide a list of milestones that it and its RNG producer(s) expect to achieve between the time of the proposal and the fuel delivery date. These milestones will be used to determine contractual cancellation points that would allow the Port to find a replacement vendor in the event project development is not on track.
 - 6.4.2.5 The Port will give strong preference to proposals which include documentation that the feedstock generating the RNG (e.g. waste) is contracted to supply the relevant gas supply project for at least as long as the term of this Contract.
- 6.4.3 Ability to Transfer Environmental Attributes of RNG.** The Port will evaluate this criterion based on the information provided under Section 5.2; Items 5.2.4.2.17 through 5.2.4.2.23. Information learned during interviews, discussions, negotiations and/or included in Final Proposal Revisions may impact the final rating of this evaluation criteria.
- 6.4.3.1 Proposals that demonstrate proposer's ability to transfer all environmental attributes associated with the RNG sold to the Port will be evaluated more favorably. Those projects with unclear or partial participation in other carbon markets will be evaluated less favorably.
- 6.4.4 Evaluated Price.** The Port will evaluate this criterion based on the information provided under Section 5.1 and Section 5.2.4; Items 5.2.4.2.22 and 5.2.4.2.23. Information learned during interviews, discussions, negotiations and/or included in Final Proposal Revisions may impact the final rating of this evaluation criteria.

- 6.4.4.1 The purchasing of RNG shall be established at the time of contract award and shall be based on a firm fixed-price agreement (*with separate pricing for heating and vehicle fuel*) with optional escalator. The Port will consider pricing for a 10-year, and up to a 20-year term. In the event RNG supplies are interrupted, prices for fossil natural gas must also be provided on either a firm fixed or indexed price or combination thereof.
- 6.4.4.2 Evaluated prices for purposes of determining the best value to the Port will be determined by calculating the price of delivered gas MMBtus over the term, divided by the number of years in the term (*to create an annualized price*). Price of RNG heating, RNG transportation, and fossil gas will be evaluated under this section. For purposes of determining the best value to the Port, the evaluated price of heating RNG shall be considered significantly more important than the evaluated price of transportation RNG and fossil natural gas combined. For purposes of determining the best value to the Port, the evaluated price of transportation RNG is considered more important than fossil natural gas. The price for heating RNG will be based on a firm fixed-price with optional annual growth rate. The price for transportation RNG will be based on a firm fixed-price. The price for fossil natural gas can be fixed, indexed, or a blend of fixed and indexed. If indexed, the evaluated price will be based on the last 2 years of the Sumas Index price (not including recent spike due to pipeline incident in British Columbia).
- 6.4.4.3 The Port expects interruptible Schedule 87T transportation services for its boilers and uninterruptible Schedule 41T transportation services from PSE and requires the following services to be included in the price submitted in the price proposal documentation:
- Daily monitoring of natural gas usage;
 - Daily balancing as required by the natural gas supplier, Northwest Pipeline and PSE;
 - Automated telemetry
- 6.4.4.4 The price shall not include PSE charges for transportation from the Delivery Point to STIA.
- 6.4.4.5 Proposer shall include a pro forma for the project(s). If Proposer offers to generate RINs from the Port's use of RNG as a transportation fuel, the pro forma should demonstrate how the

RIN value is incorporated into the price. The Port has limited interest in a refund-based pricing structure for RINs (*e.g. RIN-sharing arrangement where a percentage of total RIN value is refunded by the vendor based on the market value of RINs generated by the Port's vehicle fuel use*). Proposers offering such will be evaluated less favorably.

6.4.5 Gas Delivery. The Port will evaluate this criterion based on the information provided under Section 5.2.4; Items 5.2.4.2.17 through 5.2.4.2.20 and based on past experience providing delivered gas in Section 5.2; Items 5.2.2 and 5.2.3. Information learned during interviews, discussions, negotiations and/or included in Final Proposal Revisions may impact the final rating of this evaluation criteria

6.4.5.1 Delivery (with the Environmental Attributes) to the Port will occur at the Delivery Point. Proposals from renewable natural gas project developers which do not include specific contracted delivery arrangements and pricing will be considered non-responsive and may be rejected. The Port prefers delivery methods in the following descending order of preference (proposals shall be evaluated as such):

6.4.5.1.1 Proposals in which the RNG will be transported (by forward and/or backhaul) from the injection point on a common carrier pipeline system to the Delivery Point.

6.4.5.1.2 Proposals in which the RNG will be supplied "virtually" to the Delivery Point. The RNG would be injected into a common carrier pipeline system anywhere in the United States and purchased by the marketer (or the Port) at the injection point; that gas (without the Environmental Attributes) would then be swapped for a corresponding volume of gas at the Delivery Point.

6.4.5.1.3 Accordingly, neither the RNG production facility, nor the marketer, nor the Port needs to hold transportation capacity on the common carrier pipeline system into which the RNG is first injected. The gas actually delivered to the Port must meet all applicable requirements of federal, state, and local governmental authorities that have jurisdiction and are necessary to qualify such gas as a substitute for natural gas that is not RNG.

6.4.5.2 The Port may evaluate proposals more favorably that:

6.4.5.2.1 Demonstrate a fuel transport mode from the injection point to the Delivery Point. The demonstration must include documentation in sufficient detail for the Port to verify the existence of the fuel transport mode's delivery methods, including (i) map(s) that shows the pipelines that, together, comprise the fuel transport mode, (ii) each segment of the fuel transport mode must be linked to a specific company that is expected to transport the fuel through each segment of the fuel transport mode, and (iii) contact information for each such company, including the contact name, mailing address, phone number, and company name.

6.4.5.2.2 Are located within the geographic area that can physically supply natural gas to the Seattle metro area under current market conditions.

6.4.6 Gas Volume & Load Balancing. The Port will evaluate this criterion based on the information provided under Section 5.2.4; Items 5.2.4.3.4-5.2.4.3.5 and 5.2.4.2.21. Information learned during interviews, discussions, negotiations and/or included in Final Proposal Revisions may impact the final rating of this evaluation criteria.

6.4.6.1 Gas marketer(s) with access to one or more RNG production facilities having aggregate RNG production available for sale to the Port of at least 100,000 MMBtu/year will be evaluated more favorably. The Port will also consider responses from similarly sized RNG production facilities for the supply of "virtual gas" into the U.S. common carrier natural gas pipeline system, without delivery directly to Sea-Tac Airport. In the event the RNG producer(s) go off-line for a short period of time, respondent must be able to demonstrate the ability to deliver fossil natural gas at proposed and accepted prices listed in the Agreement to the STIA.

6.4.6.2 The Port recognizes that RNG production curves do not match STIA demand curves. See the monthly natural gas usage profiles for the boiler and vehicle fueling facilities in the MS Excel spreadsheet provided in Attachment D. Respondent should describe options and costs to address this production-demand imbalance and improve temporal alignment between RNG supply and RNG delivery (e.g. balance loads on pipeline, store RNG until needed for delivery, etc).

7. EVALUATION OF PROPOSALS

- 7.1 The Port will evaluate responses in consideration of the common set of criteria listed below. The Port reserves the right to determine, in its sole discretion, the value to the Port of any or all responses. Award will be made to the Proposer offering the best value to the Port, non-price and price factors considered. This list of criteria below may be revised via written solicitation addenda at the Port's sole discretion.
- 7.2 The criteria below are listed in descending order of importance with "a" being more important than "b," "b" being more important than "c," etc.
- a. Proposer experience and qualifications
 - b. RNG source(s) viability and status of development
 - c. Proposer's ability to transfer environmental attributes of the project to the Port
 - d. Evaluated Price and relative value within STIA's supply portfolio, including respondent's willingness to assume the costs of compliance with future regulations or requirements
 - e. Gas delivery, and ability to demonstrate RNG or virtual RNG transportation pathway
 - f. Gas volume and ability to satisfy the Port's total need with Renewable Natural Gas
- 7.3 The Port intends to award a contract or contracts resulting from this solicitation to the responsible Proposer(s) whose proposal(s) represents the best value to the Port based on the Port's assessment and evaluation in accordance with the evaluation criteria contained in the solicitation.

8. RATINGS

All non-price criteria will be evaluated using the adjectival ratings below. The ratings reflect the degree to which the proposed approach exceeds, meets or does not meet the minimum performance or capability requirements through an assessment of the strengths, weaknesses, deficiencies, and risks of a Proposal. Assessment of technical risk, which is manifested by the identification of technical deficiencies and/or weakness(es), considers potential for disruption of schedule, increased costs, degradation of performance, the need for increased oversight, or the likelihood of unsuccessful contract performance.

Rating	Description
Outstanding	Proposal indicates an exceptional approach and understanding of the requirements and contains multiple strengths which far outweigh any weaknesses. Risk of unsuccessful performance is low.
Good	Proposal indicates a thorough approach and understanding of the requirements and contains at least one strength. Risk of unsuccessful performance is low.
Acceptable	Proposal meets requirements and indicates an adequate approach and understanding of the requirements. Risk of unsuccessful performance is no worse than moderate.
Marginal	Proposal has not demonstrated an adequate approach and understanding of the requirements. Risk of unsuccessful performance is high.
Unacceptable	Proposal does not meet requirements and therefore contains one or more significant weaknesses or deficiencies. Risk of unsuccessful performance is unacceptable. Proposal is unawardable.

Evaluation Definitions

Best Value means the expected outcome of a procurement that, in the Port’s estimation, provides the greatest overall benefit in response to the requirements when considering both price and non-price factors in making the contract award decision.

Strength is an aspect of an offeror’s Proposal that has merit or exceeds specified performance or capability requirements in a way that is expected to be advantageous during contract performance.

Deficiency is a material failure of a Proposal to meet a requirement or a combination of significant weaknesses in a Proposal that increases the risk of unsuccessful contract performance to an unacceptable level.

Significant Weakness is a flaw in the Proposal that appreciably increases the risk of unsuccessful contract performance.

Weakness is a flaw in the Proposal that increases the risk of unsuccessful contract performance.

9. OUTLINE OF THE PROCUREMENT PROCESS

9.1 *First Round Evaluation*. Proposals will be evaluated against the stated evaluation criteria.

9.1.1 The written Proposals should address the evaluation factors in sufficient detail and be completely responsive to the instructions, requirements, and Scope of Services contained in this solicitation.

9.1.2 The Port may have questions regarding the individual proposals during the initial evaluation period. The Port reserves the right to request additional information or clarification of a Proposal or any element thereof with none, one, any or all Proposers.

9.1.3 Based on the initial proposal evaluation, the Port may establish a competitive range of the most highly rated proposals which may be limited to only those proposals that have a reasonable chance of award as determined by the Port. Those firms within the competitive range may be shortlisted and invited to interview.

9.2 *Interviews*

9.2.1 The Shortlisted Proposers (finalists) may participate in an interview to discuss their proposal. The Port will provide specific instructions for the interview in advance. Information learned during the interview may be used to evaluate the finalists based on the evaluation factors identified herein.

9.3 *Final Proposal Revision*

9.3.1 The Port may issue Solicitation addenda revising the scope and/or requirements at any time prior to award of the contract.

9.3.2 The Port may request Final Proposal Revisions from the most highly rated Proposers at any time during the evaluation period.

9.3.3 Final Proposal Revisions will be submitted by the most highly rated firms, if requested by the Port.

9.3.4 Any Final Proposal Revisions will then be evaluated by the evaluation team in accordance with the evaluation criteria identified herein. For purposes of evaluation, information gained during interviews may be considered in addition to the information contained in the Final Proposal Revisions.

- 9.3.5 Proposers should submit their best prices and technical solution in the Final Proposal Revision as the Port intends to make its award decision(s) based on the information contained therein. Should the Port determine it is in the best interest of the Port to conduct multiple rounds of technical and/or price negotiations prior to making an award decision, the Port may do so.

9.4 Due Diligence.

- 9.4.1 The Port reserves the right to evaluate information obtained from sources other than those listed by the Proposer. The information obtained may be used for the determination of responsibility and/or the best value determination for purposes of contract award.

9.5 Award Decision & Notice of Intent to Award. The determination of best value and subsequent Award decision will be made in accordance with Sections 6, 7 and 8.

- 9.5.1 The Port will issue a Notice of Intent to Award (NOIA) to the proposer (s) selected for contract award.
- 9.5.2 The Port intends to execute a contract with the successful proposer(s) incorporating the terms and conditions of this solicitation, addenda thereto, identified elements of the successful Proposer's proposal, and any other mutually agreed upon terms and conditions.
- 9.5.3 A Certificate of Insurance showing evidence of required coverage (see agreement for requirements) shall be provided within fourteen (14) days after notice of selection.
- 9.5.4 The Contract will be executed by the Port shortly after receiving the executed contract document from the selected proposer.
- 9.5.5 If a selected proposer fails to provide adequate insurance or the parties do not execute an agreement, the Port may award a contract to an alternate Proposer that offers the best value to the Port.

End of Preparation and Submittal of Proposals

SECTION II
AGREEMENT FORM

AGREEMENT FORM

DELIVERY OF RENEWABLE NATURAL GAS AT SEATTLE-TACOMA INTERNATIONAL AIRPORT

THIS AGREEMENT is made between the Port of Seattle (the "Port") and _____ (the "Contractor"), who, in consideration of the mutual promises contained herein, agree:

A. SERVICES:

Contractor shall furnish the Goods and/or Service(s) specified or indicated in the Contract Documents which are generally described as Delivery of Renewable Natural Gas (hereinafter also referred to as the "Goods," the "Goods and Service(s)," the "Service(s)" and/or the "Work") to Seattle-Tacoma International Airport (STIA).

B. AGREEMENT TERM:

The Agreement term will be determined at the time of award.

C. PRICING SCHEDULE:

Contractor shall be paid for the delivery of Renewable Natural Gas to STIA in accordance with the Contract Documents, at the Contract Rates or Prices as follows:

This constitutes the total compensation payable to Contractor. Said compensation shall fully compensate Contractor for all risk, loss, damages or expense of whatever character arising out of the nature of the Service or the prosecution thereof; and for all expense incurred in the consequence of the suspension or discontinuance of the Service as specified under the Agreement.

D. ORDER OF PRECEDENCE:

The provisions of this Agreement are complimentary and shall be interpreted to give effect to all its provisions. The Agreement Documents set forth below represent the entire and integrated Agreement between the Port and Contractor. Any inconsistency in the Agreement Documents shall be resolved in the following order of precedence:

1. Contract Amendments,
2. Agreement Form,
3. Scope,
4. General Conditions,

5. Proposal,
6. Other documents included in the Contract by the terms of the Agreement Form.

The parties hereto have signed this Agreement in duplicate. One counterpart each has been delivered to the Port and Contractor.

PORT OF SEATTLE

CONTRACTOR

BY: _____
(Print Name of Signer)

BY: _____
(Print Name of Signer)

Title: _____

Title: _____

Signature

Signature

Date

Date

P.O. Box 1209
Seattle, WA 98111
Phone: 206-787-3838
E-Mail: Lewis.F@portseattle.org

Address
Address
Phone:
E-Mail:

GENERAL TERMS AND CONDITIONS

1. **DEFINITIONS:** The following definitions apply throughout these Contract Documents when the term or phrase is capitalized, unless the context clearly requires otherwise. Defined terms shall be applicable to both the singular and plural forms thereof:
 - 1.1 **Addendum:** A written document issued by the Port prior to Contract Award that clarifies, corrects, or changes the RFP or Contract Documents.
 - 1.2 **Agreement Form:** The written form executed by the Port and the Vendor that binds the Vendor to satisfy the contract requirements in accordance with the Contract Documents and governs the relationship between the Port and the Vendor and all legal obligations created by execution of said Contract.
 - 1.3 **Contract:** Mutually binding legal relationship obligating the Contractor to furnish prescribed supplies or services and the Port to pay for them. The Contract governs the relationship between the Port and the Vendor concerning the Goods and all legal obligations created by execution of said Agreement. The Contract Documents form the Contract. The term "Agreement" and "Contract" carry the same meaning and may be used interchangeably.
 - 1.4 **Contract Documents:** The Contract Documents consist of the executed Agreement Form, the Scope, General Conditions, any Amendments, and any applicable RFP Submittal Documents. The table of contents, titles, headings, running headlines and marginal notes contained herein and in the documents are solely to facilitate reference to various provisions of the Contract Documents and in no way affect, limit, or cast light on the interpretation of the provisions to which they refer.
 - 1.5 **Contract Effective Date:** The date of last signature.
 - 1.6 **Day:** The term day shall mean a calendar day unless otherwise specifically designated.
 - 1.7 **Dollars:** Currency of the United States.
 - 1.8 **Effective Date:** The date upon which the Addendum, Amendment, or other official document or required action takes effect.
 - 1.9 **Electronic Transmission:** Electronic mail, or other means of electronic transmission available to the Port to transmit documents or communications.
 - 1.10 **Goods:** Means pipeline quality renewable natural gas ("RNG") or fossil natural gas, and environmental attributes as described in the Scope.
 - 1.11 **Notice of Intent to Award:** The official notice from the Port that it intends to execute the Contract with the Proposer determined to offer the best value to the Port. A sample form can be found in Attachments - Notice of Intent to Award.

- 1.12 **Or**: When the word “or” is utilized anywhere in the Agreement Form, Proposal Instructions, General Conditions, Scope, the Port specifically intends the logical or inclusive disjunction (i.e. and/or) unless the language or context clearly indicates otherwise. When the word is used in other portions of the Scope, the meaning must be ascertained from the context.
- 1.13 **Port**: The Port of Seattle. Unless the context clearly requires otherwise, the term Port includes all the Port’s authorized representatives.
- 1.14 **Product Data**: The illustrations, standard schedules, performance charts, brochures, diagrams and other information furnished by the Vendor to illustrate a material, product, or system for some portion of the Goods.
- 1.15 **Proposal**: The written offer by the Proposer to perform the requirements of the Contract for the fixed and variable prices in the Schedule of Prices.
- 1.16 **Proposer**: The person or entity that submits a Proposal to the Port for consideration and evaluation.
- 1.17 **Schedule of Prices**: That portion of Vendor’s Proposal and resultant Contract that sets forth the price for which Vendor will perform the requirements of the Contract.
- 1.18 **Scope**: The Scope is that portion of the Contract that prescribe the written requirements for successful completion and/or delivery of contract administration, materials, equipment, systems, standards, and workmanship.
- 1.19 **Submittal**: Written or graphic document (including electronic) or sample that is required by the Contract and is prepared by the Vendor or supplier and submitted to the Port by the Vendor, including Product Data, certificates, schedules of material or other data.
- 1.20 **Vendor**: The Vendor is the person or entity with which the Port of Seattle has entered into the Contract. Unless the context clearly requires otherwise, the term Vendor includes all of the Vendor’s authorized representatives. The term “Contractor” and “Vendor” carry the same meaning and may be used interchangeably.
- 1.21 **Warranty**: A promise or affirmation given by the Contractor to the Port regarding the nature, usefulness, or condition of the supplies or performance of supplies/services furnished under the Contract.
- 1.22 **Warranty Documentation**: Documentation required by the Contract that pertains to and specifically describes the warranties for the completed and/or delivered, accepted Goods. The Warranty Documentation extends to all special warranties required anywhere in the Contract. The Warranty Documentation may cover such topics as the length of the warranty, the manner of making a claim, and any accepted conditions on such warranty.

1.23 **Warranty Start Date**: The date that a particular warranty to be provided by Vendor commences. Different warranties may have different Warranty Start Dates. The Warranty Start Date for any particular warranty will occur after acceptance and on the later of the following: (1) delivery; or (2) acceptance testing of the Goods to which the warranty applies.

2. TITLES OR HEADINGS

2.1 The titles or headings of the sections, divisions, parts, articles, paragraphs, or subparagraphs, of the Contract are intended for convenience of reference only and shall not be considered as having any bearing on the interpretation of the text.

3. REFERENCED STANDARDS & SPECIFICATIONS

3.1 Reference in the Contract to codes, standards and specifications promulgated by local, state and/or federal authorities, professional or technical associations, institutes or societies, are intended to mean the latest edition of each such code, standard or specification adopted and published as of the date of the Contract, except where otherwise specifically indicated. Each such code, standard or specification referred to shall be considered a part of the Specifications to the same extent as if reproduced therein in full.

4. CONTRACT INTENT

4.1 It is the intent of the Contract to specify and set forth a complete operational unit, units, or system ready for use regardless of whether every detail has been set forth in the Contract. Any omission of details from the Contract shall not be construed to mean that they are to be omitted by the Vendor or to affect in any way the completeness of the Goods to be furnished. The total price of such details shall be included in the Schedule of Prices.

4.2 The Contract shall be construed in accordance with the laws of the State of Washington. Venue for any action between the Port and the Vendor arising out of or in connection with this Contract shall be in King County, Washington.

4.3 The Contract represents the entire and integrated agreement between the Port and the Vendor. It supersedes all prior discussions, negotiations, representations or agreements pertaining to the Goods, whether written or oral.

5. CORRELATION OF THE CONTRACT DOCUMENTS

5.1 A requirement present in one Contract Document is binding as though it was present in all. The Contract Documents are intended to be complementary and prescribe and provide for satisfaction of all requirements of the Contract. Actions, goods or services that have not been specifically prescribed in the Contract but which are required to produce the intended result shall be provided by the Vendor as though they had been specifically included.

- 5.2 Actions, goods or services required by the Contract but for which a specific line item is not provided in the Schedule of Prices shall nevertheless be considered contract requirements. The Prices included in the executed Contract shall be the total Price due the Contractor for completion of all Contract requirements.
- 5.3 The Contract Documents are listed below in descending order of precedence. Contract Documents amended or revised by Addendum retain the same order of precedence. To the extent that there are different provisions in Contract Documents that address the same matter or subject, these provisions shall be reconciled and harmonized to the maximum extent possible. In the event these different provisions cannot be reconciled, the provisions set forth in the Contract Document having the highest precedence will control. If provisions within the same level of Contract Document cannot be reconciled, and one is more stringent than another, the more stringent provision will prevail as interpreted by the Port.
- Contract Amendments,
 - Agreement Form,
 - Scope,
 - General Conditions,
 - Proposal,
 - Other documents included in the Contract by the terms of the Agreement Form.
- 5.4 In the event of a conflict between the Contract Documents/Terms/Conditions and applicable laws, codes, ordinances, regulations or orders of governmental authorities having jurisdiction over the requirements of this Contract or any portion thereof, or in the event of any conflict between such applicable laws, codes, ordinances, regulations, or orders, the most stringent requirements of any of the above shall govern as determined by the Port.

6. EXAMINATION OF THE CONTRACT REQUIREMENTS:

- 6.1 By executing the Agreement Form, the Vendor represents that it has carefully examined and investigated the Contract Requirements as necessary to successfully perform and or deliver the requirements of this Contract. The Vendor likewise represents that it has reasonably reviewed any other information necessary for an understanding of and satisfaction of all Contract requirements. The submission of its Proposal confirms that the Vendor represents and acknowledges that it has made such examinations and investigations to fully understand and stipulate to all terms, conditions, and requirements of the Contract.
- 6.2 If the Vendor discovers any error, inconsistency, omission, or variance in the Contract, whether arising from applicable laws, statutes, codes, ordinances, regulations, or otherwise, the Vendor shall provide timely notice thereof to the Port. The Vendor shall likewise make all reasonable efforts to mitigate any

impact resulting from such error, inconsistency, omission or variance. If the Vendor proceeds with addressing the error, inconsistency, omission or variance and fails to provide timely notice to the Port, the Vendor shall assume full responsibility therefore and shall bear all costs, liabilities and damages attributable to such error, inconsistency, omission, or variance.

7. CHANGES:

- 7.1 No alteration by Vendor of the terms or conditions of this Contract will be effective without the prior written consent of the Port. Unauthorized substitutions will be made entirely at sole risk and expense of the Vendor.
- 7.2 The Port may, at any time, by written notice to Vendor, propose changes to the terms and conditions of the Contract. Within fifteen (15) days after the Port gives such notice, Vendor shall notify the Port in writing of any impact (increase or decrease) to the price of, or the time required for performance of, any part of this Contract caused by any such change. An equitable adjustment, if any, in the price or delivery schedule, or both, shall be agreed upon in a written Amendment to this Contract signed by both parties. Nothing in this paragraph, including any disagreement with the Port as to the equitable adjustment, shall excuse Vendor from proceeding without delay to perform this Contract as changed.

8. ACCEPTANCE OF THE GOODS

- 8.1 The Port shall not be deemed to have accepted any required goods and/or services required by this contract prior to the completion of inspection and testing for the purpose of ascertaining whether the goods and/or services conform to and are in compliance with contract requirements. The time and location of the inspection and/or testing for purposes of determining acceptability may be conducted at the Port's discretion.
- 8.2 The Vendor must remove or correct any non-conforming goods and/or services at the Vendor's sole expense. The reasonable time to remedy the non-conforming goods and/or services shall be determined by the Port. Delivery shall not constitute acceptance unless stated in the Scope.

9. WARRANTY:

- 9.1 Vendor represents, warrants and covenants as of the Effective Date and at all times during the term of this Contract that Vendor has the unrestricted right, power and authority to enter into this Contract and the financial and personnel resources and other ability to provide the Goods as set forth herein. Vendor will use the reasonable care and skill that can be expected from a competent natural gas provider in the provision of the Goods and execution of the services under this Contract.
- 9.2 In the event that Vendor provides any further warranties under its Proposal to the Port or incident to the provision of Goods under this Contract, any and all such warranties are automatically incorporated herein and shall survive inspection and acceptance of the Goods. All manufacturers', and suppliers'

warranties and guarantees, express or implied, respecting any part of the Goods shall be obtained and enforced by the Vendor for the benefit of the Port without the necessity of separate transfer or assignment thereof. When specified in the Contract, the Vendor shall require manufacturers and suppliers to execute separate warranties and guarantees in writing directly to the Port.

10. INDEMNIFICATION AND HOLD HARMLESS:

- 10.1** Vendor shall defend, indemnify, and hold harmless the Port, its Commissioners, officers, employees, and agents (hereafter, collectively, the "Port") from all liability, claims, damages, losses, and expenses (including, but not limited to attorneys' and consultants' fees and other expenses of litigation or arbitration) arising out of or related to the fulfillment of this Contract (including, without limitation, product liability claims, claims for patent, trademark, copyright, trade or franchising infringement, and from all claims arising from Vendors failure to comply with the terms and conditions of this contract); Provided, however, if and to the extent that these General Conditions are construed to be relative to the construction, alternation, repair, addition to, subtraction from, improvement to, or maintenance of, any building, highway, road, railroad, excavation, or other structure, project, development, or improvement attached to real estate, including moving or demolition in connection therewith, and therefore subject to Section 4.24.115 of the Revised Code of Washington, it is agreed that where such liability, claim, damage, loss or expense arises from the concurrent negligence of (1) the Port, and (2) Vendor, its agents, or its employees, it is expressly agreed that Vendor's obligations of indemnity under this paragraph shall be effective only to the extent of Vendor's negligence. Such obligations shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any person or entity described in this paragraph. This paragraph shall not be construed so as to require Vendor to defend, indemnify, or hold harmless the Port from such claims, damages, losses or expenses caused by or resulting from the sole negligence of the Port.
- 10.2** In any and all claims against the Port, by any employee of Vendor, its agent, anyone directly or indirectly employed by either of them, or anyone for whose acts any of them may be liable, the indemnification obligation of subparagraph "A" above shall not be limited in any way by any limitation on the amount or type of damages, compensation benefits payable by or for Vendor, or other person under applicable industrial insurance laws (including, but not limited to Title 51 of the Revised Code of Washington), it being clearly agreed and understood by the parties hereto that Vendor expressly waives any immunity Vendor might have had under such laws. By executing the Contract Vendor acknowledges that the foregoing waiver has been mutually negotiated by the parties.
- 10.3** Vendor shall pay all attorneys' fees and expenses incurred by the Port in establishing and enforcing the Port's right under this paragraph, whether or not suit was instituted.

11. COMPLY WITH ALL LAWS:

11.1 The Vendor shall comply with all federal, state and local laws, ordinances and regulations, including but not limited to those environmental laws and other laws listed in the Contract Documents and other laws referred to herein, which in any manner apply to the performance of this Contract. Such compliance shall include, but is not limited to, the payment of all applicable taxes, royalties, license fees, penalties and duties.

12. NON-DISCRIMINATION AND EQUAL EMPLOYMENT:

12.1 During the performance of this Contract, the Vendor, for itself, its assignees, and successors in interest agrees to comply with the requirements of the following non-discrimination statutes and authorities which are hereby incorporated; including but not limited to:

- 12.1.1 Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin) and 49 CFR part 21;
- 12.1.2 The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- 12.1.3 Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- 12.1.4 The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- 12.1.5 Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- 12.1.6 The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and Vendors, whether such programs or activities are Federally funded or not);
- 12.1.7 Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 - 12189) as implemented by Department of

Transportation regulations at 49 CFR parts 37 and 38;

- 12.1.8 The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- 12.1.9 Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- 12.1.10 Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- 12.1.11 Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.)

13. NON-DISCRIMINATION POLICY

- 13.1 It is the basic policy of the Port of Seattle to provide equal opportunity to the users of all Port services and facilities and all contracting entities. Specifically, the Port will not tolerate discrimination against any persons on grounds of age, race, color, national origin/ancestry, ethnicity, religion, disability, Family Medical Leave Act (FMLA) use, pregnancy, sex/gender, sexual orientation, whistleblower status, military affiliation, marital status, workers' compensation use, transgender status, political beliefs, or any other protected status, as guaranteed by local, state and federal laws. The equal opportunity principles in employment and subcontracting described in this policy shall apply to the Port's employees, customers, consultants, Vendors, and suppliers to the extent possible as required by law. Submission of a properly executed Contract constitutes a contractual commitment to the terms of this resolution.

14. INSURANCE

- 14.1 Contractor shall procure and maintain insurance in the following minimum form and limits. All deductibles or self-insurance retentions are the responsibility of the Contractor. Contractor may meet required insurance limits through a combination of primary and umbrella or excess insurance. Any insurance the Port may carry will apply strictly on an excess basis over any applicable insurance the Contractor may carry. Coverage shall not lapse or be terminated without the insurer's written notification to the Port, delivered by mail, not less than thirty (30) days prior to any such lapse or termination. Where identified below, Contractor shall submit endorsements along with a

Certificate of Insurance. Contractor shall provide evidence of insurance on each insurance renewal date, throughout the duration of the Contract.

- 14.1.1 Commercial General Liability insurance on ISO Form CG 00 01 10 01 (or equivalent) for third party property damage, bodily injury, personal and advertising injury, and medical payments in an amount which is not less than \$10,000,000 per occurrence and \$20,000,000 annual aggregate. The insurance shall cover liability arising from premises, operations, products completed operations, and liability assumed under an insured contract. The Contractor's insurance shall be primary and non-contributory with respect to any insurance the Port carries and apply separately to each insured and an endorsement validating this shall be submitted to the Port. Port shall be named as an additional insured and shall provide an appropriate endorsement for the Port to approve. The policy shall be endorsed to include a waiver of subrogation in favor of the Port, with a copy of the endorsement provided to the Port.

- 14.1.2 Automobile Liability Insurance shall be provided in an amount no less than the following on a combined single limit basis for bodily injury and property damage using ISO Form CA 00 01 (or equivalent). The Port shall have a waiver of subrogation submitted to it from the Contractor's insurance company; or the Port shall be included as an additional insured on the automobile policy. Coverage is to extend coverage to all "owned, non-owned, hired, leased, and borrowed automobiles" (as defined on ISO Form CA 00 01).
 - 14.1.2.1 Outside of the air operations area at Seattle- Tacoma International Airport, the limit of insurance shall be no less than \$1,000,000 per occurrence;

 - 14.1.2.1 The limit of insurance shall be no less than \$5,000,000 per occurrence for all driving on the non-movement area of airfield operations area at Seattle-Tacoma International Airport.

- 14.1.3 Contractor's Pollution liability coverage shall be provided for sudden and accidental incidents involving hazardous, toxic, biological, mold, and other pollution related materials. Coverage in the amount of not less than \$ 10 million per occurrence/per claim is required. The Port shall be an additional insured on this policy and evidence validating that the Port is an additional insured shall be submitted prior to contract inception. Submission of an insurance certificate that states the Port is an additional insured for this coverage is not acceptable

by itself. The actual policy or endorsement that identifies the Port as an additional insured must be submitted to the Port.

- 14.1.4 Vendors: Vendors hired and working on behalf of, or under the direction of the Contractor shall maintain the same types and amounts of insurance coverage as the Contractor, and as outlined above. Vendors shall list the Port as additional insured by endorsement to their commercial general liability insurance policy prior to the performance of any work as it relates to the Contractor and Contractors performance of work required by the contract.

14.1.4.1 Certain types of services performed by Vendor may require less insurance coverage than required of Contractor depending on the type of work to be performed, duration, and location of the work.

14.1.4.2 Vendors who need access to the non-movement part of the airfield operations area, may access this area via their own automobiles, if provided with an escort, and evidence of auto insurance of at least \$ 1 Million per occurrence of auto liability coverage. However, this does not extend to delivery of any fuel or renewable natural gas by automobile. Vendor delivery of any fuel product by vehicle will require a minimum of \$5 Million per occurrence on a combined single limit.

14.2 Contractor is responsible for complying with the Washington State laws that pertain to industrial insurance (Reference Revised Code of Washington, Title 51 Industrial Insurance) for its employees. Contractor shall submit a current employer liability certificate as issued by the Washington Department of Labor and Industries that shows the status of Contractor's worker compensation account prior to commencing work, including those Contractors who are qualified self-insurers with the state.

14.3 Submit a site safety plan to Construction Safety Management - Contractor and any Vendor working behalf of Contractor must attend a site safety orientation prior and submit a safety plan, prior to the performance of any work under the scope of services of the contract that require Contractor and any Vendors to access Port property.

15. CONTRACT TIME

15.1 All time limits stated in the terms and conditions of this Contract, are of the essence.

16. EXTENSIONS OF TIME; COMPENSATION:

- 16.1 Force Majeure. If an extension of time is warranted because of force majeure, Vendor will not be responsible for delays in delivery due to acts of God, fire, strikes, epidemics, war, riot, delay in transportation or railcar transport shortages PROVIDED VENDOR NOTIFIES THE PORT, IMMEDIATELY IN WRITING OF SUCH PENDING OR ACTUAL DELAY. The extension of time will be limited to the time period the Port determines the procurement was delayed/extended. All decisions by the Port regarding extensions of time shall be final.
- 16.2 Reasonable Delays. The Vendor should anticipate that some reasonable delays, including those caused by normal weather patterns, will occur. The Vendor shall not be entitled to any compensation, damages, or extension of time for such reasonable delays.
- 16.3 Non-Excusable and Non-Compensable Delays. Delays in the prosecution of the contract requirements that could have been avoided by the exercise of due care, coordination and diligence on the part of the Vendor, its suppliers are neither excusable nor compensable under the Contract. No extension of time or increase in price shall be allowed for any claimed delay that is caused by or results from the breach, fault, negligence, or collusion of the Vendor, or its suppliers.

17. VENDOR'S CLAIMS

- 17.1 If at any time the Vendor claims that the Port may, for any reason, owe it damages, additional payment, or a time extension, the Vendor must file a written claim with the Port. The Vendor shall deliver a written claim to the Port no later than ten (10) days after the date the Vendor knew or should have known of the event giving rise to the claim occurred and before proceeding with supplying the Goods or performing the services upon which the claim is based. Failure to provide the written notification shall constitute an absolute waiver of any such claim. No act, admission or knowledge, actual or constructive, of the Port or any Port employee shall in any way constitute a waiver of the above requirements, unless the Port provides the Vendor with an express, unequivocal written waiver of the specific requirement being waived.
- 17.2 Within a reasonable time after presentation of a claim, the Port shall give the Vendor written notice of the Port's decision on any claim of the Vendor. All such decisions of the Port shall be final.
- 17.3 Pending final resolution of a claim, unless otherwise agreed in writing, the Vendor shall proceed diligently with performance of the Contract.

18. TIME AND MANNER OF PAYMENT

- 18.1 Unless otherwise specified, the Vendor shall submit to the Port for approval a monthly invoice for the Goods delivered as provided for in this Contract. Payments shall be made within thirty (30) days after receipt of a properly completed invoice for delivered and accepted goods/services, the amounts so determined, less previous payments and less such sums as the Port may be entitled to retain under the provisions of the Contract, shall be paid to the Vendor.
- 18.2 The making of any payment to the Vendor under the Contract shall not relieve the Vendor of any of its obligations thereunder. The Vendor is obligated to satisfy all contract requirements as specified. Payment for delivered and accepted goods/services shall constitute the full compensation to the Vendor for providing the delivered and accepted goods/services, including all risk, loss, damage, or expense, and for all reasonable expenses properly incurred, including in the event of suspension or termination.
- 18.3 Nothing in this paragraph or elsewhere in the General Conditions shall make any laborers, material men, or suppliers' third-party beneficiaries of this Contract or obligate the Port to withhold any funds except at the Port's sole discretion.
- 18.4 Payments made to the Vendor shall not constitute acceptance by the Port of any item or service that is defective or deficient, in whole or in part, regardless whether the defect or deficiency is patent or latent or known or unknown, and such payments shall not constitute a waiver by the Port of any rights or remedies it may otherwise have under these Contract Documents or otherwise.
- 18.5 The quantity to be paid for any item for which a Unit Price is fixed in the Contract shall be the number of units satisfactorily delivered in accordance with the Contract Documents, as determined by the Port. The quantity to be paid for any item for which a lump sum price is fixed in the Contract shall be based on the percentage satisfactorily delivered in accordance with the Contract Documents, as determined by the Port.

19. PORT'S RIGHT TO WITHHOLD PAYMENT

- 19.1 The Port has the right to withhold payment otherwise due the Vendor if and so long as the Vendor does not meet any of its obligations under this Contract to the extent as may be reasonably necessary for the Port to protect itself from loss. The Port will notify the Vendor of the reasons for any amounts withheld and the remedy required.
- 19.2 The Vendor shall be paid monies earned by fulfilling its responsibilities under this Contract. Monies shall not be considered earned if any of the following conditions applies:
- 19.3 The goods and/or services for which the Vendor is claiming payment were not satisfactorily delivered or performed in accordance with the Contract.

- 19.4 Defective, damaged or Non-Conforming goods and/or services are not remedied, or warranties are not met.
- 19.5 Claims filed or reasonable evidence indicating filing of claims against the Vendor.
- 19.6 Vendor's failure to meet any performance warranties required by the Contract.
- 19.7 Failure of the Vendor to provide drawings, manuals, and other information required by the Contract.
- 19.8 The Vendor's invoice does not contain the required documentation or is otherwise not in conformance with the requirements of this Contract;
- 19.9 Failure of the Vendor to make payments owed to suppliers, or for labor, materials, or equipment.
- 19.10 Failure to pursue satisfactory delivery of the Goods or completion of the Services in a timely manner or failure to take necessary steps to regain time or deliver the Goods or complete required services in the timeframe prescribed by the Contract.
- 19.11 A reasonable doubt that the Contract can be completed for the balance then unpaid.
- 19.12 In the event the Port withholds all or a part of a payment for deficiencies in either performance, or in an invoice, the Port will notify the Vendor. The Vendor shall have the right to correct all deficiencies that are the basis for the withholding and resubmit the invoice at any time for reconsideration.

20. TAXES

- 20.1 Unless otherwise indicated, the Port agrees to pay all applicable State of Washington sales or use tax. The Port is exempt from Federal excise taxes and an exemption certificate will be furnished upon request. The price for the Goods shall include all other applicable taxes, except those for which an exemption may be claimed by the Port.

21. HAZARDOUS MATERIALS

- 21.1 If this Contract covers Goods which include hazardous chemicals, Vendor shall, at the time of product delivery, provide the Port with copies of Material Safety Data Sheets ("MSDS") for such chemicals. These sheets shall be in the form then required by applicable law or regulation (see WAC 296-62-05413). This requirement shall be in addition to whatever other requirements are imposed by law or regulation.

22. TERMINATION

- 22.1 **TERMINATION FOR CONVENIENCE**: The PORT may terminate this contract, in whole or in part, without notice, if there is any Force Majeure event, including

natural disasters, government shut-downs, wars, acts of terrorism, loss of operating revenue that causes the operation of the Airport to cease or become significantly curtailed. The PORT may terminate this contract for the PORT's convenience with 90 days written notice to CONTRACTOR. The Contractor shall be paid only for services already performed prior to notice of termination and for orderly phase-out of performance as requested by the Port. THE PORT SHALL NOT BE LIABLE TO CONTRACTOR FOR ANY ANTICIPATED PROFITS OR CLAIMS OF UNABSORBED OVERHEAD OR OTHER FIXED COSTS.

22.2 TERMINATION FOR DEFAULT: The Port may terminate the Contract following written notice to the Contractor:

22.2.1 If the Contractor is adjudged bankrupt or insolvent, or makes a general assignment for the benefit of creditors, or if the Contractor or a third party files a petition to take advantage of any debtor's act or to reorganize under the bankruptcy or similar laws concerning the Contractor, or if a trustee or receiver is appointed for the Contractor or for any of the Contractor's property on account of the Contractor's insolvency, and the Contractor or its successor in interest does not provide adequate assurance of future performance in accordance with the contract within 15 calendar days of receipt of a request for assurance from the Port;

22.2.2 If the Contractor fails to comply with laws, ordinances, rules, codes, regulations, orders or similar requirements of any public entity having jurisdiction;

22.2.3 If the Contractor fails to ensure that its subcontractors perform Work to the standards specified in Contract Documents;

22.2.4 If the Contractor uses Port-owned or Port-leased equipment without prior written approval; or

22.2.5 If the Contractor otherwise violates in any material way any provisions or requirements of the contract.

22.3 In the case of any potential for injuries to persons, or significant damage to property or threat to the continuity of Airport operations, the Port may terminate the contract upon five days written notice without opportunity to cure the default; otherwise, the Port will provide written notice and at least 15 calendar days of opportunity to cure the default after written notice is sent; If the remedy does not take place to the satisfaction of the Port, the Port may, by serving written notice to the Contractor, terminate the contract. The Contractor shall be paid only for services already performed prior to notice of termination. If the Port elects to pursue one remedy, it will not bar the Port from pursuing other remedies on the same or subsequent breaches.

22.4 In the event of termination for default, Contractor shall be liable to pay the difference between the costs of the Work had it been performed by Contractor

under the Contract and any extra cost incurred by the Port for nine months to procure the same standards of service. The nine months represents the period of time the Port may reasonably take to award another contract.

22.5 In the event the contract is terminated, the termination shall not affect any rights of the Port against the Contractor. The rights and remedies of the Port under the Termination Clause are in addition to any other rights and remedies provided by law or under this contract. Any retention or payment of monies to the Contractor by the Port will not release the Contractor from liability.

23. REMEDIES

23.1 Any decisions by the Port to pursue any remedy provided for in the provision entitled "Termination" herein shall not be construed to bar the Port from the pursuit of any other remedy provided by law or equity in the case of similar, different or subsequent breaches of this Contract.

24. WAIVER

24.1 Failure at any time of the Port to enforce any provision of the Contract shall not constitute a waiver of such provision or prejudice the right of the Port to enforce such provision at any subsequent time. No term or condition of this Contract shall be held to be waived, modified or deleted except by a written Contract Amendment signed by the parties hereto.

25. PARTIAL INVALIDITY

25.1 If any provision of this Contract is or becomes void or unenforceable by force or operation of law, all other provisions herein shall remain valid and enforceable.

26. PUBLIC DISCLOSURE

26.1 Vendor acknowledges that the Port may be required to disclose information provided by Vendor pursuant to the Washington State Public Disclosure Act (RCW Chapter 42.56). The Port will determine whether any requested documents should be disclosed. In no event shall the Port be liable to Vendor for any disclosure of documents and information, including work product, excluded inventions and intellectual property rights it deems necessary to disclose under the law.

27. ANTITRUST ASSIGNMENT CLAUSE

27.1 Vendor and the Port recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the Port. Vendor therefore hereby assigns to the Port any and all claims for such overcharges as to Goods purchased in connection with this Contract, except as to overcharges which result from antitrust violations commencing after the price is established under this Contract and which are not passed on to the Port under an

escalation clause.

28. SUBCONTRACTING/ASSIGNMENT

Vendor shall not subcontract or assign its obligations under this Contract without the prior written consent of the Port.

29. AUDITS AND RETENTION OF RECORDS

29.1 The Port or its designee and other authorized representatives of the State of Washington shall have the right to inspect, audit or copy documents for the evaluation and determination of any issue related to the Contract or to the Vendor's performance thereunder, specifically including but not limited to any Claims brought by the Vendor or any supplier.

29.2 For the above-referenced purpose, all the documents related to this Contract shall be open to inspection, audit, or copying by the Port or its designee:

29.2.1 Beginning with the date of contract execution continuing for a period of not less than six (6) years after the date of Contract Completion or termination of the Contract; and

29.2.2 If any Claim, audit, or litigation arising out of, in connection with, or related to this Contract is initiated, all documents and records shall be resolved or completed, whichever occurs later.

29.2.3 The Vendor shall retain the documents related to this Contract for the period of time required above. The Vendor shall also ensure that the documents of all suppliers shall be retained and open to similar inspection or audit for the periods required above by incorporating the provisions of this Audit Paragraph into any agreements with suppliers related to this Contract.

29.3 The Vendor and its suppliers shall make a good faith effort to cooperate with the Port and its designees when the Port gives notice of its need to inspect or audit documents.

29.4 No additional compensation will be provided to the Vendor, its suppliers for time or money spent in complying with the requirements of this Audit Paragraph. If the Vendor is formally dissolved, assigns or otherwise divests itself of its legal capacity under this Contract, then it shall notify the Port and preserve all documents, at its expense, as directed by the Port.

29.5 This Audit Paragraph shall survive for six (6) years after the termination or expiration of this Contract, or conclusion of all Claims, audits or litigation, whichever occurs later.

30. SERVICE OF NOTICES BY OR ON THE VENDOR

30.1 Any written notice required under the Contract to be given by or to the Vendor may, at the option of either party, be served on or by the Vendor by Electronic Transmission, personal service, certified or registered mail, or recognized overnight courier. Delivery of the notice will be made to the last address provided in writing to the Port. Notices shall be deemed delivered: (i) when sent via Electronic Transmission, (ii) when personally delivered; (iii) on the third day after mailing when sent by certified or registered mail and the postmark affixed by the United States Postal Service shall be conclusive evidence of the date of mailing; or (iv) on the first business day after deposit with a recognized overnight courier if deposited in time to permit overnight delivery by such courier as determined by its posted cutoff times for receipt of items for overnight delivery to the recipient.

31. EXECUTION OF THE AGREEMENT FORM

31.1 The Contract is not binding upon the Port until the Contract is executed by the Port. No Proposer shall have a right, interest or claim with respect to the Contract prior to the Contract execution date. After being executed by the Port, the Vendor will receive a copy of the Agreement Form. Goods prosecuted, or Services rendered prior to the Contract execution date is at the sole risk of the Vendor.

End of General Terms and Conditions

SCOPE OF SERVICES

INTRODUCTION/OBJECTIVE

The Port of Seattle ("Port") has adopted aggressive greenhouse gas emission reduction goals for the facilities it owns and controls. Approximately 80% of Seattle-Tacoma International Airport's ("STIA") Scope 1 & 2 greenhouse gas emissions are from the combustion of fossil natural gas. To achieve its 50% and 100% carbon reduction strategies by 2030 and 2050 respectively, the Port seeks to replace STIA's supply of fossil natural gas with renewable natural gas ("RNG"), supplied contractually via natural gas pipeline.

BACKGROUND

STIA's facilities include the major airport operations buildings, principally 3,000,000 square feet of terminal space. The airport terminal operates 24 hours a day, seven (7) days a week.

The RNG to be purchased will be utilized in two separately metered locations: (1) at the airport's central mechanical plant boilers (to provide heating and hot water to the airport terminal building) and; (2) at a compressed natural gas (CNG) fueling station used by airport buses and fleet vehicles.

STIA's natural gas usage or consumption varies with outdoor temperature, but averages about 330,000 MMBtu annually.

- About 50,000 MMBtu of this total are used for vehicle fuel, at a fairly consistent rate of 4,000 MMBtu/month +/- 10%.
- The remaining (approximately) 250,000 to 280,000 MMBtu per year are used in the boilers. Boiler usage varies seasonally, with consumption in cold months as high as 36,000 MMBtu/month, and in warm months, as low as 15,000 MMBtu/month.
- Total STIA gas usage is expected to increase (+15 to 20%) through the term of this contract (10 to 20 years) as additional facilities are built; however, consumption does vary with weather.
- Gas demand curves for STIA's facilities are provided in Attachment D.

THE PORT OF SEATTLE'S ROLE

The Port will be the direct or indirect off-taker of RNG from RNG-to-pipeline projects. The Port will take delivery from the marketer at the City Gate delivery point at which Puget Sound Energy (PSE) receives natural gas from the Northwest Pipeline for distribution to STIA ("Delivery Point"). The Port intends to use interruptible Schedule 87T transportation services for its boilers, and uninterruptible Schedule 41T for its CNG fueling station from PSE for transportation from the Delivery Point to STIA.

(1) Agreement Term

Deliveries are anticipated to commence on or about November 1, 2019. The delivery period shall be for a minimum of ten (10) years and a maximum of twenty (20) years. The term of this Agreement is dictated on the Agreement Form to be executed by both parties at the time

of award.

(2) RNG and its Environmental Attributes

The RNG must qualify as Advanced Biofuel or Cellulosic Biofuel, as defined in 40 C.F.R. § 80.1401, from landfills, wastewater treatment plants, or anaerobic digestion of other organic wastes.

The RNG must meet pipeline quality natural gas standards at the injection point and include any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the production and delivery of RNG ("Environmental Attributes").

Environmental Attributes include but are not limited to: (1) any avoided emissions of pollutants to the air, soil or water such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO) and other pollutants; (2) any avoided emissions of carbon dioxide (CO₂), methane (CH₄) and other greenhouse gases; (3) "Green Attributes" within the meaning of California Air Resources Board rules and reporting requirements (or terms with similar meaning that may be recognized in the future under applicable law); (4) displacement or avoidance of any amount of conventional gas or fossil energy generation resources; (5) the reporting rights to these avoided emissions; and (6) any renewable fuel attributes, including any necessary to generate Renewable Identification Numbers under the federal Renewable Fuels Standard and credits under California's Low Carbon Fuel Standard. Environmental Attributes do not include any tax incentives.

At its sole cost and expense, the vendor will cooperate with the Port in obtaining and conveying to the Port all Environmental Attributes associated with the RNG, including by preparing, signing and filing reasonably necessary or useful paperwork, providing information, consenting to monitoring of activities and collection of data and all other activities reasonably necessary or useful for the Port to obtain the full benefit of all Environmental Attributes under any Designated Program enacted before the effective date of the contract. All Environmental Attributes, whether now or hereinafter in existence or recognized, associated with the RNG must be conveyed (directly or indirectly) to the Port and cannot be sold, delivered, or transferred, in whole or in part, to any other party. If RINs or methane destruction credits from the project(s) are already sold or intend to be sold to a separate market, respondent must describe these contractual arrangements and limitations.

Changes in Law.

a. Subject to any annual and aggregate caps that may be agreed to in the contract, vendor shall be responsible for any additional costs such as a low carbon fuel standard or cap and trade program that are enacted on and after the effective date of the contract. Specifically, vendor shall be responsible for any costs associated with such change in law even if such costs are initially imposed on the Port. With respect to any tax which may be assessed based on carbon emissions associated with the RNG or its import into Washington or consumption by the Port, vendor shall be responsible to the extent such tax is imposed on the entity purchasing, marketing, reselling, transmitting or using the RNG. If the Port is required to remit or pay taxes that are vendor's responsibility, vendor shall reimburse the Port for such taxes in accordance with the invoice and payment provisions of the contract, including a gross-up for any taxes imposed on any such payment.

b. To the extent any change in law on or after the effective date of the contract creates

additional incentives with respect to the project(s) or the RNG, the Port and the vendor will share in the benefit of such incentive.

With respect to (i) changes of law affecting any such existing Designated Program and (ii) any Designated Programs that may be enacted on or after the effective date of the contract, respondent may propose reasonable annual and aggregate caps on its costs and expenses for such activities, with any excess costs to be borne by the Port should the Port desire to obtain the full benefit of the Environmental Attributes under any such Designated Program. "Designated Program" means any or all of the following: Washington RPS (RCW 19.285 et seq.), any Washington cap-and-trade or other greenhouse gas emissions program or carbon tax (or any successor program of either) or any other RPS or GHG program designated by Port, in each case, provided the project is Eligible for such Designated Program. "Eligible" means eligible, based on the then-existing design and other characteristics of the project (including equipment and interconnection and fuel usage), without the requirement of vendor or project owner to make any material changes to the design or other characteristics of the facility or to alter the facility's production or fuel usage, subject itself or its affiliates to additional regulation under applicable laws, reduce the RNG production capability of the project and delivery thereof.

Vendor will be responsible for the costs of any third party verifier required under any Designated Program or by the Port under the contract, with such verifier to be mutually agreed upon by the Parties and licensed by the California Air Resources Board or, if applicable, such similar agency under federal or state law.

(3) RNG Production

RNG production must occur in the United States. Eligible RNG production sources for the Port's boiler fuel consist of the following: (i) a new facility, (ii) an existing facility but only with respect to fuel volumes that have been vented or flared or used to generate electricity for at least the last three years or since commencement of fuel production, whichever is shorter, and (iii) an expansion of an existing facility but only with respect to increased fuel production over the facility's average production over the last three years. In addition, the Port must be the first entity to contract (directly or indirectly) for the RNG volumes dedicated to the Port. The Port does not require all of the output of any given eligible source and will consider RNG produced from multiple eligible sources. The Port will consider existing RNG sources for its transportation fuel.

(4) Delivery

Delivery to the Port will occur at the Delivery Point (City Gate delivery point at which Puget Sound Energy (PSE) receives natural gas from the Northwest Pipeline). The following delivery methods are acceptable:

1. RNG is transported (by forward and/or backhaul) from the injection point on a common carrier pipeline system to the Delivery Point.
2. RNG is supplied "virtually" to the Delivery Point. The RNG is injected into a common carrier pipeline system anywhere in the United States and purchased by the marketer (or the Port) at the injection point; that gas (without the Environmental Attributes) would then be swapped for a corresponding volume of gas at the Delivery Point. Neither the RNG production facility, nor the marketer, nor the Port needs to hold transportation capacity on the common

carrier pipeline system into which the RNG is first injected. The gas actually delivered to the Port must meet all then applicable requirements of federal, state, and local governmental authorities that have jurisdiction and are necessary to qualify such gas as a substitute for natural gas that is not RNG.

End of Scope of Services

SECTION III
RFP DOCUMENTS

SUBMITTAL DOCUMENT 1 – PROPOSAL FORM

To: PORT OF SEATTLE
BID DESK
e-submittals-purch@portseattle.org

Having carefully examined the Contract Documents entitled RFP 18-27 Renewable Natural Gas for Seattle-Tacoma International Airport, the undersigned hereby proposes to deliver the specified Services in strict accordance with the Contract Documents.

We agree that if this Proposal is accepted, to enter into a Contract with the Port in the form of the Contract contained in the Proposal Documents.

Receipt of Addenda Numbered _____ through _____ is hereby acknowledged.

We agree that this Proposal Form as submitted will remain in force for 120 days after the official opening of Proposals.

	(Complete, Registered Company Name)
Submitted By:	_____
	(Name of Contractor - typewritten or printed)

	(Signature and Title)
Address:	_____
	(Business Address - typewritten or printed)

Telephone:	_____
Fax:	_____
E-Mail:	_____
Date:	_____
Washington State Unified Business Number (UBI)	_____.

End of RFP Documents

SECTION IV
SOLICITATION ATTACHMENTS

SOLICITATION ATTACHMENTS

Attachment A - Protest Procedures

Attachment B- Schedule of pricing

Attachment C- Monthly Natural Gas Usage Profiles

Attachment D - Entity Information Sheet

ATTACHMENT A -

PROTEST PROCEDURES

1. PURPOSE

These protest procedures are included in this Solicitation to provide a prompt, fair and equitable administrative remedy to all Proposers and prospective Proposers (for convenience "Proposers") regarding alleged substantive errors or omissions in the Solicitation or regarding any decision by the Port to award the contract, to declare a proposal non-responsive, or to find a Proposer not responsible.

2. TIMING

Any Proposer showing a substantial economic interest in the contract to be awarded under this Solicitation may Protest to the Port only in accordance with the procedures set forth below

- A. Protests Based on the Form or Content of the Solicitation Terms and Conditions: Any Protest based on the form or content of any solicitation documents or any addenda thereto (including, but not limited to, any terms, requirements and/or restrictions therein) must be filed with the Port as soon as practicable at 2711 Alaskan Way, P.O. Box 1209, Seattle, WA 98111, Attention: Director, Central Procurement Office. The transmittal envelope must clearly identify the Solicitation number on its face and be labeled as a "Protest." No protest based on the form or content of any solicitation documents will be considered if received by the Port later than twenty (20) calendar days prior to the specified proposal due date.
- B. Other Protests: Protests based on any other circumstances must be filed with the Port at 2711 Alaskan Way, P.O. Box 1209, Seattle, WA 98111, Attention: Director, Central Procurement Office, within two (2) business days after the Proposer knows or should have known of the facts and circumstances upon which the protest is based. The transmittal envelope must clearly identify the Solicitation number on the face of this document and be labeled as a "Protest." No protest will be considered by the Port if all proposals are rejected or if the protest is received after award of the Contract.

3. CONTENTS OF PROTEST

To be considered, a Protest shall be in writing and shall include: (1) the name, street address, fax number and email address of the aggrieved party; (2) the Solicitation title and number under which the Protest is submitted; (3) the economic interest of the aggrieved party in the contract to be awarded under the Solicitation; (4) a detailed description of the specific grounds for the Protest and any supporting legal and/or factual documentation; and (5) the specific ruling or relief requested. In the event the protesting party asserts the responsibility of any other Proposer as a ground for Protest, it must address in detail the specific responsibility criteria identified in the Solicitation.

4. ADMINISTRATIVE REVIEW

The Protest shall be promptly considered on the written submittal by the Port. The Port will give notice of the Protest and provide a copy to any others as required. In its sole discretion, the Port may give notice of the Protest to other interested parties, including other Proposers. The Port reserves the right to resolve or to attempt to resolve any Protest that concerns the form or content of the Solicitation and which Protest was received before the required due date and time for Proposal submission through written addenda to the Solicitation.

The Port will issue a written decision on the Initial Administrative Review following the receipt of the Protest, stating the reasons for the action taken. In making its decision, the Port may consult with individuals and consider information relating to the Protest from any source, including other interested parties. A copy of the decision shall be provided to the aggrieved party, and any other party as may be required, by either: (i) personal service, (ii) facsimile, or (iii) email.

5. ADMINISTRATIVE APPEAL

- A. Right of Appeal. The aggrieved party may appeal the decision on the Initial Administrative Review of the Port by filing a Notice of Administrative Appeal at 2711 Alaskan Way, P.O. Box 1209, Seattle, WA 98111, Attention: Director Central Procurement Office, not more than two (2) business days after receipt of the initial Administrative Review decision. The Notice of Administrative Appeal shall be in writing and clearly labeled on the transmittal envelope as a "Notice of Administrative Appeal." A copy of the initial Protest shall be attached to the Notice of Administrative Appeal. The Port will provide a copy of the Notice of Administrative Appeal to other interested parties as required.
- B. Hearing. Following receipt of the Notice of Administrative Appeal, an appeal hearing shall be conducted before a panel of at least two Port representatives ("the Panel"). The Panel may include a representative of the Port of Seattle's legal department and a representative of the Port's Central Procurement Office. The hearing will generally be conducted within five (5) business days of the receipt of the Notice of Administrative Appeal, and the aggrieved party and any other interested parties will be notified of the time and place of the hearing.
- C. Conduct of Hearing. Except as the Panel may allow in its discretion, no discovery shall be available. At the Administrative Appeal Hearing, the aggrieved party will be given a reasonable opportunity to present relevant testimony and evidence and to make legal arguments. Other interested parties may also be given the opportunity to do so. The hearing will generally be recorded, and the Panel shall maintain an official record of all documentary evidence presented at the hearing. The Panel shall issue a written Final Decision. A copy of the Final Decision shall be provided to the aggrieved party, and any other party as may be required, by either: (i) personal service, (ii) facsimile, or (iii) email.

- D. Standard of Review on Administrative Appeal: On Administrative Appeal, the Panel will consider the Protest, de novo. The aggrieved party shall, however, be restricted from raising any matter or ground not reasonably within the scope of the materials placed before the Port during the Initial Administrative Review.

6. STAY OF AWARD OF THE CONTRACT

The Port will stay award of the contract for two (2) business days following, the issuance of its Final Decision.

7. JUDICIAL PROCEEDINGS

All judicial proceedings must be filed within two (2) business days of the issuance of the Port's Final Decision. The stay provided by Section 6 is specifically intended to ensure that any request for judicial relief proceeds orderly and that the Port is provided advance notice thereof. Therefore, an aggrieved party that intends to commence judicial proceedings shall specifically provide notice to the Port prior to the commencement of such proceedings. The notice shall be provided to both the Port's General Counsel and Director, Central Procurement Office at 2711 Alaskan Way, P.O. Box 1209, Seattle, WA 98111, (206) 787-3000.

8. STRICT COMPLIANCE

Strict compliance with these protest procedures by any aggrieved party is essential in furtherance of the public interest. Any aggrieved party that fails to comply strictly with these protest procedures is deemed, by such failure, to have waived and relinquished forever any right or claim with respect to alleged irregularities in connection with the Solicitation or award of the Contract. No person or party may pursue any judicial or administrative proceedings challenging the Solicitation or award of the Contract to be awarded by this Solicitation, without first exhausting the administrative procedures specified herein.

9. REPRESENTATION

An aggrieved party may participate personally or, if a corporation or other artificial person, by a duly authorized representative. Whether or not participating in person, an aggrieved party may be represented, at the party's own expense, by counsel.

10. COMPUTATION OF TIME

In computing any period of time prescribed by this procedure, the day of the act or event from which the designated period of time begins to run shall not be included. The last day of the period shall be included. The term "business day" shall mean any day on which the Port of Seattle is open for regularly conducted business. Any document received after the close of regular business hours (8:00 a.m. to 5:00 p.m.) shall be deemed received the following business day.

11. ACKNOWLEDGEMENT

By submitting a proposal in response to this Solicitation, the Proposer acknowledges that it has reviewed and acquainted itself with the bid protest procedures herein and agrees to be bound by such procedures as a condition of submitting a Proposal.