



UNIVERSITY OF KENTUCKY Purchasing Division

INVITATION FOR BID

ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.

INVITATION NO.:	UK-1782-18	<u>RETURN ONE ORIGINAL COPY AND ONE CD OF BID</u> TO: UNIVERSITY OF KENTUCKY PURCHASING DIVISION BID DESK, BID #UK-1782-18, BID DATE <u>9-15-17</u> 322 PETERSON SERVICE BLDG. 411 South Limestone LEXINGTON, KY 40506-0005
Issue Date:	8-30-17	
Title:	Coal	
Contracting Officer:	Jim Sutton	
Phone:	859-257-5406	

IMPORTANT: BIDS MUST BE RECEIVED BY 9-15-17 @ 3:00 P.M. LEXINGTON, KY TIME

The University's General Terms and Conditions and Instructions to Bidders, viewable at www.uky.edu/Purchasing/terms.htm, apply to this Invitation for Bid. When the Invitation for Bid includes construction services, the University's General Conditions for Construction and Instructions to Bidders, viewable at www.uky.edu/Purchasing/ccphome.htm, apply to the Invitation for Bid.

AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST

I hereby swear (or affirm) under the penalty for false swearing as provided by Kentucky Revised Statutes (KRS) 523.040:

- That I am the bidder (if the bidder is an individual), a partner, (if the bidder is a partnership), or an officer or employee of the bidding corporation having authority to sign on its behalf (if the bidder is a corporation);
- That the attached bid has been arrived at by the bidder independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the Invitation for Bids, designed to limit independent bidding or competition;
- That the contents of the bid or bids have not been communicated by the bidder or its employees or agents to any person not an employee or agent of the bidder or its surety on any bond furnished with the bid or bids and will not be communicated to any such person prior to the official opening of the bid or bids;
- That the bidder is legally entitled to enter into contracts with the University of Kentucky and is not in violation of any prohibited conflict of interest, including those prohibited by the provisions of KRS 164.390, 45A.330 to 45A.340.
- That the Bidders, and its affiliates, are duly registered with the Kentucky Department of Revenue to collect and remit the sales and use tax imposed by Chapter 139 to the extent required by Kentucky law and will remain registered for the duration of any contract award.
- That I have fully informed myself regarding the accuracy of the statement made above.

COLLUSION PROHIBITED

Any agreement or collusion among bidders or prospective bidders which restrains, tends to restrain, or is reasonably calculated to restrain competition by agreement to bid at a fixed price or to refrain from bidding, or otherwise, is prohibited, in accordance with KRS 45A.325.

SWORN STATEMENT OF COMPLIANCE WITH CAMPAIGN FINANCE LAWS

In accordance with KRS 45A.110(2), the undersigned hereby swears under penalty of perjury that he/she has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky and that the award of a contract to a bidder will not violate any provision of the campaign finance laws of the Commonwealth of Kentucky.

CONTRACTOR REPORT OF PRIOR VIOLATIONS OF KRS CHAPTERS 136, 139, 141, 337, 338, 341 & 342

The contractor, by signing and submitting a bid on this invitation, agrees as required by KRS 45A.485 to submit final determinations of any violations of the provisions of KRS Chapters 136, 139, 141, 337, 338, 341 and 342 that have occurred in the previous five (5) years prior to the award of a contract and agrees to remain in continuous compliance with the provisions of these statutes during the duration of any contract that may be established. Final determinations of violations of these statutes must be provided to the University by the successful contractor prior to the award of a contract.

ALL BIDS ARE TO BE " F.O.B. DESTINATION – FREIGHT PREPAID AND ALLOWED"

THIS AREA MUST BE COMPLETED

DELIVERY AFTER RECEIPT OF ORDER:	NAME OF COMPANY:	PHONE:
FEDERAL EMPLOYER ID NO.:	ADDRESS:	FAX:
PAYMENT TERMS:	ADDRESS:	E-MAIL:
SHIPPING TERMS: F.O.B. DESTINATION – PREPAID AND ALLOWED	CITY, STATE & ZIP CODE:	WEB ADDRESS:
DUNS #	SIGNATURE:	DATE:

SIGNATURE REQUIRED: This bid cannot be considered valid unless signed and dated by an authorized agent of the bidder. Type or print the information requested in the spaces provided.

UNIVERSITY OF KENTUCKY
INSTRUCTIONS TO BIDDERS

All University of Kentucky bid solicitations are made upon and subject to the following conditions:

1 Preparation of Bids

- 1.1 All solicitations are subject to the provisions and requirements of any applicable Kentucky Revised Statutes, including the Kentucky Model Procurement Code, and the rules, regulations and policies of the University of Kentucky including the University of Kentucky's General Terms and Conditions.
- 1.2 Bidders are expected to examine the complete bid and all attachments including drawings, specifications and instructions. Failure to do so is at bidder's risk.
- 1.3 Bidders shall furnish information required by the solicitation in the form requested. The University reserves the right to reject bids with incomplete information or which are presented on a different form.
- 1.4 All bids must be legible. A legally authorized company representative shall sign all bids in the appropriate location. Erasures or other changes must be initialed by the person signing the bid. Signature on a bid certifies that the bidder has read and fully understands all bid specifications and bidder agrees to all terms and conditions stipulated in the Invitation For Bids (IFB).
- 1.5 Bid prices shall be entered in spaces provided on the bid form. All unit prices and mathematical extensions and totals shall be indicated where required. In cases of errors in extensions or totals the unit price will govern.
- 1.6 Should any potential bidder doubt the true meaning of any part of the solicitation, a written request for an interpretation may be submitted to the University. Requests for such interpretation shall be made in writing to the appropriate Contracting Officer identified in the solicitation. Every interpretation made shall be in the form of an "addendum" to the solicitation sent as promptly as is practicable to all prospective bidders to whom the solicitation has been issued. Failure by the University to send or any potential bidder to receive such interpretation(s) shall not relieve any bidder from any obligations under the bid solicitation or the bidder's response. Any interpretations, corrections or changes to the solicitation made in any other manner, including oral explanations and instructions, are not binding upon the University.
- 1.7 Bidders or potential bidders are required to coordinate all discussions concerning solicitations through the appropriate Contracting Officer or other purchasing official within the University of Kentucky Purchasing Division. Bidders or potential bidders are not authorized to communicate with any University administrator, faculty, staff, or Board of Trustees member concerning this solicitation. Failure to comply with this requirement is grounds for the bidder's disqualification.
- 1.8 Unless otherwise stipulated in a bidder's response, the bidder's offer is in strict accordance with the University's specifications and terms and conditions of the Invitation For Bids. Any deviations must be fully itemized in detail. Any deviations from the requirements of this solicitation are at bidder's risk and the University may determine the bid to be non-responsive.

2 Submission of Bids

- 2.1 Bids, and modifications thereof, shall be returned in a sealed envelope and submitted in such a manner as to ensure their arrival in the University of Kentucky Purchasing Division before the due date and time set forth in the solicitation. The time shown on the recording clock in the Purchasing Division is the official time. Unless otherwise indicated in the solicitation no oral, facsimile, e-mail or telephone bids will be accepted.
- 2.2 Bids may be modified or withdrawn in writing or in person by an authorized representative if done so prior to the exact time and date for receipt of the bids. Telephone and facsimile modifications or withdrawals are not permitted. Withdrawn bids may be resubmitted, with or without modifications, up to the solicitation due date and time. No bids may be withdrawn after the due date and time without the express authorization of the University of Kentucky Purchasing Division.

- 2.3 Bids received after the designated time and date in the solicitation will not be considered. Bids will or will not be publicly opened and read in accordance with the Invitation For Bids.
- 2.4 Bidders shall show the bid due date and time, the solicitation number, and the name and address of the bidder on the face of the bid envelope.
- 2.5 All bids will be considered firm for a period of forty-five (45) calendar days from the bid opening date.

3 Specification Requirements

- 3.1 Unless otherwise specified in the solicitation, all items bid are to be new, unused, and not remanufactured in any way.
- 3.2 Whenever a trade name, brand name, or model and catalog numbers followed by the words “or equal” or “approved equal” are used in the bid invitation it is for the purpose of item identification and to establish standards of quality, style, and features. Bids on equivalent items, substantially the same, are invited. However, to receive consideration, sufficient descriptive literature and/or specifications to clearly identify the item and provide for competitive evaluation must accompany the bid. The University will be the sole judge of equality and suitability. If bidder does not identify exceptions to the specifications shown in the IFB, bidder will be required to furnish the brand name(s), models, numbers, etc. specified in the IFB.
- 3.3 Unless stated otherwise in the solicitation, alternate bids will be considered. Alternate bids may be made in addition to responding to the solicitation or as the only response to the solicitation. However, the University is under no obligation to consider or accept an alternate bid and it reserves the right to reject any and all such bids.
- 3.4 The University reserves the right to request samples of any or all items bid in order to determine compliance with the specifications. The bidder must provide the samples within ten (10) days of the request and at no charge to the University. Samples are non-returnable. Failure to comply may be cause for rejection of the bid.
- 3.5 Bidders shall clearly delineate any deviations or exceptions from the bid specifications.
- 3.6 Except as otherwise provided in the solicitation, all bid prices must be firm. Prices subject to qualifications, such as escalation or other variables, may be rejected as non-responsive.
- 3.7 Unless otherwise stipulated in the solicitation, all quantities are estimates and do not represent a minimum guarantee. The University is obligated to purchase only those quantities needed during the term of the contract and it reserves the right to purchase more or less than the estimated quantities. The University is obligated only for those quantities ordered.
- 3.8 Proposed delivery dates shall be stated in number of calendar days after receipt of order.
- 3.9 All offers shall be F.O.B. destination, freight prepaid and allowed.

4 Bid Evaluation and Award

- 4.1 Bids will be evaluated and the award made to the lowest responsive, responsible bidder who offers the best value to the University and meets the terms, conditions and specifications of the Invitation For Bids.
- 4.2 The term “Responsible Bidder” means a person, company, or corporation who has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether a Bidder is responsible, the University may evaluate various factors including (but not limited to) financial resources; experience; organization; technical qualifications; available resources; record of performance; integrity; judgment; ability to perform successfully under the terms and conditions of the contract; and adversarial relationship between the Bidder and the University that is so serious and compelling that it may negatively impact the work performed under this Invitation for Bid; or any other cause determined to be so serious and compelling as to affect the responsibility of the Bidder.
- 4.3 The University reserves the right to accept or reject any and all bids or part of a bid and waive informalities, technical defects and minor irregularities in the bids received. Further, the University reserves the right to

make a single award, split awards, make multiple awards or no award whichever is in the best interest of the University.

- 4.4 Unless stated otherwise in the solicitation, the University reserves the right to award the contract to the lowest aggregate bidder for all items, on an item by item basis, or a group of like items whichever is found to be in the best interest of the University. The University will consider bids submitted on an “all or nothing” basis if the bid is clearly designated as such.
- 4.5 In accordance with KRS 45A.494, a resident bidder of the Commonwealth of Kentucky shall be given a preference against a nonresident bidder. In evaluating proposals, the University will apply a reciprocal preference against a bidder submitting a proposal from a state that grants residency preference equal to the preference given by the state of the nonresident bidder. Resident bidder and nonresident bidder shall be defined in accordance with KRS 45A.494(2) and 45A.494(3), respectively. Any Respondent claiming Kentucky residency status shall submit with its proposal a notarized affidavit affirming that it meets the criteria as set for in the above referenced statute.
- 4.6 The University shall issue a price contract or purchase order as its notification of award to the successful bidder(s). Until such date a price contract or purchase order is issued, nothing shall be construed to constitute a binding agreement between the University and the bidder.

5 Payment and Taxes

- 5.1 The successful bidder shall be paid, at the prices stipulated, for items or services delivered and accepted, upon the submission of proper invoices to the billing address shown on the purchase order. The University’s standard payment terms are net 30 days after acceptance.
- 5.2 Bidders may offer prompt payment discounts. The University will not consider any prompt payment discounts in determining the bid award.
- 5.3 The University utilizes a procurement card program as the preferred method of payment. The University assumes that all successful bidders will accept the University’s procurement card as a method of payment unless a specific exception is stated in the bidder’s response to the IFB. No additional charges may be added for acceptance of the procurement card.
- 5.4 The University is tax exempt from the provisions of the Kentucky Sales and/or Use Tax (Tax Exemption # A00276) on materials and equipment under this solicitation. The University is also entitled to exemption from the Federal Excise Tax. All bidders shall take this into consideration when submitting their bid. Exemption certificates will be furnished upon request. Bidders are informed that material purchased by the contractor for the performance of this contract for the University are not exempt from the provisions of the Kentucky Sales and/or Use Tax. All adjustments and allowances for the current sales and/or use tax shall be included in the bid price.

6. Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act

To the extent Company receives Personal Information as defined by and in accordance with Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the “Act”), Company shall secure and protect the Personal Information by, without limitation: (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act; (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as University’s and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation, or destruction; (iii) notifying University of a security breach relating to Personal Information in the possession of Company or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)2 applies and Company abides by the requirements set forth in that exception; (iv) cooperating with University in complying with the response, mitigation, correction, investigation, and notification requirements of the Act, (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Company; and (vi) at University’s discretion and direction, handling all administrative functions associated with notification, investigation and mitigation.

SCOPE

This invitation to bid is to establish a price contract for Stoker Coal as required by the University of Kentucky, Utilities Division.

CONTRACT PERIOD

The contract established from this invitation shall commence on October 1, 2017 and end September 30, 2018. The contract may be extended for up to four (4) additional years in one (1) year increments with annual price re-openers, with mutual consent of both the coal supplier and the University of Kentucky.

TERMS AND CONDITIONS

The University's General Terms and Conditions and Instructions to Bidders, viewable at www.uky.edu/Purchasing/terms.htm apply to this Invitation to Bid.

TENURE OF CONTRACT AND TERMINATION RIGHTS

Contract period shall be from October 1, 2017 to September 30, 2018, with the option to renew for four (4) additional years in one year increments.

The University shall be authorized to terminate for its own convenience all contracts for the procurement of supplies and services when the purchasing official has determined that such termination will be in the University's best interests. When it has been determined that a contract should be terminated for the convenience of the University, the Purchasing Division shall be authorized to negotiate a settlement with the contractor according to terms deemed just and equitable by the Purchasing Division. Compensation to a contractor for lost profits on a contract terminated for convenience of the University shall not exceed an amount proportionate to the sum that the contractor's total expected margin of profit on the contract bore to the contract price. This will be based on the total out of pocket expense incurred by the contractor as of the date of termination of the contract.

Wherever a contract is terminated for the convenience of the University, the contractor shall have the burden of establishing the amount of compensation to which the contractor believes to be entitled. The contractor must do this by submitting the bid or proposal for the contract, and evidence of expenses paid or incurred in performance of the contract. All submissions shall be from the date of award through the date of termination.

THIS CONTRACT MAY BE TERMINATED BECAUSE OF DEFAULT OF THE CONTRACTOR

The contract is subject to cancellation in the event of contractor mal-performance, non-performance, product substitution, chronic failure to meet delivery requirements and/or response requirements, failure to provide the product and/or service in accordance with terms and conditions of this bid.

In the event the contractor is precluded from performing service required, under contract, for a period of time, the Contractor must notify the University. The University, at its option, and upon ten (10) days written notification may cancel the contract.

The contract will be null and void upon receipt of written notification from the Director of Purchasing or designated representative.

In the event of contract cancellation, the contractor will be precluded from having the opportunity to submit a bid or a replacement contract. If the contract is canceled within the first three (3) months of the contract, the University reserves the right to award a replacement contract to the next lowest bidder on the original bid

THIS CONTRACT MAY BE TERMINATED BECAUSE OF EPA REQUIREMENTS OR OTHER GOVERNMENT REQUIREMENTS.

This contract is subject to cancellation in the event the EPA changes the current regulations in regards to the amount of particulate each boiler plant can release. This contract may also be canceled if any other government regulation or requirements change.

BASE PRICE

The base price shall be the mine price per ton of coal as established by this Invitation for Bid. The base price shall be firm unless re-determined in accordance with the requirements of this Invitation for Bid.

PRICE REDETERMINATION

The base price may be re-determined to the then fair market value of the coal. The fair market value shall be based upon commitments for sale and purchase of coal of comparable quality in quantities and on the terms and conditions similar to those under the requirements of this Invitation for Bid and that represents the then prevailing market price and conditions.

The Contractor or the University may request a redetermination of the base price by giving written notice to the other specifying in detail the redetermination requested accompanied by material supporting such redetermination must be given by August 1, prior to annual anniversary dates of the commencement of the contract. If redetermination notice is given, each party agrees to endeavor in good faith to reach accord in writing concerning the proposed redetermination. Shall the parties be unable to reach agreement, the contract will terminate on the annual anniversary date.

EXTENDED PRICING

Is the bidder willing to extend pricing to other state universities and University affiliate organizations within the Commonwealth of Kentucky?

YES

NO

RESTRICTIONS ON COMMUNICATIONS WITH UNIVERSITY STAFF

From the issue date of this IFB until a Contractor is selected and a contract award is made, Bidders are not allowed to communicate about the subject of the IFB with any University administrator faculty, staff, or members of the Board of Trustees except:

- The Purchasing Office representative, any University Purchasing Official representing the University administration, or others authorized in writing by the Purchasing Office and
 - University Representatives during Bidders presentations.

If violation of this provision occurs, the University reserves the right to reject the Bidder's proposal.

INVITATION SUBMISSION AND DEADLINE

The University of Kentucky accepts deliveries of IFB's Monday through Friday from 8:00 am – 5:00 pm Lexington Kentucky time. However, IFB's must be received by 3:00 pm Lexington Kentucky time on the date specified on the IFB in order to be considered.

NOTE: Bidders are requested to include a CD with their bid response in addition to the printed hard copy of the bid.

TECHNICAL REQUIREMENTS

DESCRIPTION OF PRODUCT

Stoker Coal, 1-1/4" X 1/4", 5% modified. No intermediate sizes removed and not more than 5% passing a 1/4" round screen with a deviation limit of 8%. Coal should be a **100% washed product** (preferred), free from rock, dirt and other debris. Bidders are to also submit a second price for delivered **unwashed coal** in their proposal. Blended coal will not be accepted. **"The University has through experience found deep mined coal can meet these specifications. Bidders should designate in their proposal if the bid coal proposed is to be deep mined or surface mined."**

SPECIFIED ANALYSIS

MOISTURE	4% maximum
ASH	8% maximum
SULFUR	.8% maximum
INITIAL FUSION POINT OF ASH	2700 degrees F° minimum
BTU/LB (DRY)	13,500 minimum
IRON OXIDE	20% maximum in ash
FREE SWELLING INDEX	5.5 maximum
CHLORINE	500 ppm maximum
ALL ANALYSIS TO BE MADE ON COAL AS DELIVERED EXCEPT BTU.	

CONFIDENTIALITY

- a) Unless an exception in accordance with (C) below, and until the Effective Date of an agreement pursuant to this Invitation for Bid, this IFB, any responses to the IFB, and other related documents, including but not limited to attachments, appendices, and exhibits, shall be marked and treated as CONFIDENTIAL, as provided for preliminary correspondence under KRS 61.878(1)(i).
- b) On and after the Effective Date of the agreement pursuant to this IFB, all documents associated with this IFB, unless an exception in accordance with (C) below, are NOT treated as CONFIDENTIAL documents and will be released upon receipt of a valid request under Kentucky Open Records law.
- c) Any material or information, in whole or in part submitted whether before or after the Effective Date and that the party believes is confidential or proprietary shall be submitted separately in a document/format clearly marked CONFIDENTIAL. If a party submitting a response to a proposal believes that any document, before or after the Effective Date of the agreement, in whole or in part, pursuant to the IFB is confidential or contains confidential or proprietary information, the party shall identify the specific information and shall submit a listing of the information and the rationale for its being confidential or proprietary. University Office of General Counsel shall review the submitted material/information, consulting with officials of the submitting company, if needed, and make a final determination as to the confidential or proprietary nature of the submitted material.

CONTRACTOR REPRESENTATION

The contractor must have adequate representation to accommodate the University account. The representative will have the responsibility to call on the Purchasing Division and Lexington Campus Physical Plant Division, and resolve invoice discrepancies and other problems that may occur. The above responsibilities will be on an as needed basis unless otherwise specified.

CONTRACTOR REPORTS

It will be the responsibility of the successful contractor to supply line item usage reports to the Purchasing Division on a quarterly basis.

The Purchasing Division reserves the right to request other reports which are pertinent to the University of Kentucky.

The successful bidder and/or their authorized representative will be responsible for the reports being delivered at the appropriate time.

REPRESENTATION INFORMATION

REPRESENTATIVE'S NAME: _____

ADDRESS: _____

TELEPHONE NUMBER: _____

FAX NUMBER: _____

E-MAIL ADDRESS: _____

ORDER ENTRY INFORMATION

ORDER TO BE PLACED: _____

TELEPHONE NUMBER: _____

FAX NUMBER: _____

E-MAIL ADDRESS: _____

ESTIMATED QUANTITY

It is estimated the University of Kentucky will purchase 10,000 tons of coal annually. The University herein guarantees a minimum purchase of 10,000 tons a year during the contract. If supplier can supply coal with lower chlorine content, the actual tons purchased could be increased. For example: UK could purchase 30,000 tons annually if coal supplied contained less than 250 ppm chlorine content. Amount purchased will depend on the price, alternate fuels and weather conditions. The actual tons purchased will depend on the price, alternate fuels and weather conditions. Contractor shall deliver up to 30,000 tons if required during any one year period.

CONTRACTOR QUALIFICATION

The bidding contractor must have proven experience in supplying coal on a contract basis similar to volume and minimum specifications requested in this bid. Contractor will supply a minimum of three references with names of individual to contact. References must substantiate contractor experience and ability in supplying coal as required in this invitation.

INSURANCE

The coal supplier and trucking firm shall furnish certificate indicating currently effective policies of insurance. The University, its trustees and employees must be added as Additional insured on the Commercial General Liability policy with regards to the scope of this bid. Any deductibles or self-insured retention in the policy described policies must be paid and are the sole responsibility of the Contractor. Coverage is to be primary and non-contributory with over coverage, if any purchased by the University. All of these policies must include a Waiver of Subrogation, except Workers' Compensation, in favor of the University, its trustees and employees.

The University requires the minimum insurance coverage's insuring all service, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

Coverage's	Limits
Workers Compensation	Statutory Requirements (KY)
Employers Liability	\$500,000/\$500,000/\$500,000
Commercial General Liability, including Operations/completed operations, products, and contractual liability (including defense and investigation costs) including this contract.	\$1,000,000 each occurrence (BI & PD combined) \$2,000,000 products and completed operations aggregate
Business Automobile Liability, covering owned Leased, or non-owned autos	\$1,000,000 each occurrence/ \$3,000,000 Aggregate (BI & PD Combined)

SALES TAX

The University Of Kentucky is exempt from sales tax. The tax exemption number is A-276.

PAYMENT TERMS

Payments to be made on a semi-monthly basis. Every effort will be made to ensure that payment is made within ten days after invoices are received at the University of Kentucky.

REJECTION OF BIDS

The Purchasing Division reserves the right to reject any and all bids. Furthermore, we reserve the right reject a bid offering coal from a mine on which the Kentucky Department of Mines and Minerals does not have satisfactory records or data, or if the mine has not been licensed by the Kentucky Department of Mines and Minerals.

COMPLETION OF BID FORM

All bids must be filled out and completed in ink or by typewriter to be considered valid. Bid must be signed in ink.

Bids that have clerical errors or any irregularity are subject to corrections only with concurrence of the Purchasing Division.

Failure of a contractor to furnish all information as requested may result in his bid not receiving consideration. Contractors are requested to provide business telephone numbers and contractor identification number.

METHOD OF AWARD

The award will be made to the lowest contractor meeting qualifications, minimum allowable specifications and complying with all bidding requirements. Award will be based on Total Delivered price per ton.

Prior to awarding this bid the University of Kentucky reserves the right to visit and inspect the facilities and to ensure compliance.

Technicalities of minor irregularities in bids which may be waived when the Purchasing Official determines that it will be in the University’s best interest to do so, are mere matters of form not affecting the material substance of a bid or some immaterial deviation from or variation in the precise requirements of the Invitation for the Bids and having no, or a trivial or negligible effect of the price, quality, quantity or delivery of supplies or performance of the services being procured, the correction or waiver of which will not affect the relative standing of, or be otherwise prejudicial to other contractors. The PURCHASING OFFICIAL may either give a contractor an opportunity to cure any deficiency resulting from a technicality or minor irregularity in his bid, or waive such deficiency where it is advantageous to the **University to do so.**

PRICE ADJUSTMENT PROVISION

The cost for hauling the coal shall be submitted as a separate line item. The cost of fuel surcharges will be based on EIA’s published on-highway diesel prices (Midwest Region) and will be handled as a separate line item.

The fuel price adjustment may be made to contract pricing in accordance with the following procedure:

Fuel price adjustments will be made for deliveries during the contract period.

University of Kentucky Purchasing will compute additional amount based on the difference between the “base” rate in effect on the date of the contract commencement and the price of diesel fuel as reported for the Midwest Region by the US Department of Energy “EIA” US Gasoline and Diesel Fuel Updates on the last day of every month, if there is no posting on the last day of the month, the next day’s published posting will be used for adjustment.

The base rate used for calculating adjustments shall be the rate shown in the referenced EIA on the date of the contract commencement and adjustments will be permitted monthly. Adjustments will be rounded to two decimal places to the nearest cent.

If the published rate goes below the published rate in effect on the date of award, there shall be a deduction to reflect the savings back to the University.

EXAMPLE:

Published rate in August 7, 2017	\$2.284
8-1-17	\$2.276

$\$2.284 - \$2.276 = \$.008 =$ Additional amount allowed to be added to price per gallon of fuel.

The price adjustments will be calculated using the current week’s posting for the following week. In the example shown above, the posting is date in August 7, 2017. The August 7, price adjustment would be for the month of November, beginning on that date.

CANCELLATION CLAUSE

This contract shall be non-cancelable except for mal-performance, non-performance until the guaranteed quantity for the initial period of the contract has been received.

If due to cause beyond the control and without the fault or negligence of either party, including but not restricted to: Acts of God, or war, fires or other catastrophes, usually severe weather which renders either party inoperable for the remainder of the contract period; suspension of shipments made under this provision shall be without liability on the part of either party to the other party.

METHOD OF DELIVERY

All deliveries shall be by truck.

The University of Kentucky has no responsibility for the coal until delivered to the Campus.

NOTE: The contractor will be held responsible for and must make good or repair any damage he, his employees or his agents may do to the premises or any other property of the receiving agency.

DELIVERY-MEDICAL CENTER HEATING PLANT

Delivery to the Medical Center Plant shall be made by truck. Delivery will be made at any time. The primary delivery point will be the truck hopper at the Medical Center Heating Plant. Other delivery points will be by Central Heating Plant and the two University owned stockpiles located within one mile of either plant. The contractor shall be solely responsible to visit the sites and to determine the conditions and locations of all other four delivery points. The contractor is responsible to see that his truck fits the coal hopper facilities prior to submitting the bid.

***NOTE:** Medical Center Hopper load rating is 25 tons per hour.

DELIVERY SCHEDULE

All coal shall be delivered as scheduled by the Utilities Division of the University of Kentucky. The coordinator for these schedules shall be Mr. Mike Duffy, Manager of the Heating plants. It is anticipated that coal deliveries will commence on or about October 1, 2017. The University will notify the supplier by the 15th of the month the amount of coal to be delivered the following month.

Summer Months anticipated UK's maximum use of coal	1500 tons per month
Winter Months anticipated UK's Maximum use of coal	6000 tons per month

WEIGHT AND DELIVERY TICKETS

Where a ton is referred to in these specifications, it is defined as containing 2,000 pounds Avoirdupois. The UK Utilities Division requires that any truck delivering coal to UK have a maximum weight (Gross and Tare) of 120,000 pounds. Vehicles weighing more than 120,000 pounds will not be accepted.

All deliveries must be accompanied by the delivery tickets from the mine, indicating the poundage and/or tonnage being delivered by each truck Delivery, tickets shall be in triplicate, one signed copy to be retained by the agency making the delivery.

The successful bidder is to provide the University coal analysis from the mined coal by an approved laboratory every two weeks (twice a month). Successful bidder to provide coal lab analysis reports for: BTU/lb as Received, BTU/lb DRY (13500 MMBTU/lb min), Sulfur content (.8% max), chlorine content (500 PM max, % Moisture (4.5% max), in PDF form via emails mailed to the UK Utilities manager.

The UK Utilities Division or its authorized agents will also sample and test deliveries of coal.- Proximate analysis will be made of all samples taken. Samples of coal for testing will be taken by the Utilities Division or its authorized agents from the yard, the truck, or the bin at the University of Kentucky. The sample may be taken from only one truck load but will always be a mixture of at least 5 increments.

Size consists samples will be taken in all instances where visual examination suggest that the coal delivered does not meet the minimum specifications.

The contractor may request that samples be taken in his presence, but absence of the contractor shall not be grounds for setting aside the results of any analysis.

The institute for Mining and Minerals Research, University of Kentucky, or an approved laboratory, shall make all analysis; and shall be final and conclusive on the parties concerned.

REJECTION OF COAL TERMINATION OF CONTRACT

CONTRACTORS ARE CAUTIONED TO READ CAREFULLY THE FOLLOWING PROCEDURES IN REGARD TO REJECTION OF COAL, AS THE CONTRACTOR WILL BE HELD STRICTLY TO THESE REQUIREMENTS.

BASIS OF REJECTION

The coal specifications to this invitation contain the minimum allowable analysis of coal accepted to the University of Kentucky. It is emphasized that Purchasing Division does not intend to accept coal which repeatedly falls below contractor's guaranteed analysis. Therefore, all contracts resulting from this invitation shall be subject to the following conditions, which will strictly be enforced:

(1) If three (3) consecutive analysis reports show the delivered coal to deviate from the contractor's guaranteed analysis (in any two or more of the six factors listed below) by the following criteria:

MOISTURE-	5.0 % or greater
ASH-	8.4% or greater
SULFUR-	.84% or greater
BTU (DRY) -	13,300 or less
FUSION TEMP -	2,650 degrees or less
Fines-	14% or greater
Chlorine content	.06% or 600 ppm or greater

Or if six or more non-consecutive reports show the coal to be substandard by the minimum specifications then and in the event the contractor contract will be cancelled. In addition, the contractor name will be removed from the contractor's list.

If a contract is cancelled, the Purchasing Division shall have the right to procure on the open market a supply of coal sufficient to meet the requirements of the institution for the balance of the contract period, and the contractor whose contract was cancelled shall at the least be responsible for any increase in the cost of the cancelled contract. Such liability cost may be withheld from any monies due the contractor or otherwise charged against the contractor whichever appears to be in the best interest of the University.

INSPECTION OF PREMISES

Any duly authorized representatives of the University of Kentucky shall have the right to inspect, at any reasonable hour, the mine and other premises, of any persons to whom a contract is awarded for coal subject to these requirements. Inspection shall be to those facilities utilized in the production, preparation and transport of contracted coal.

VISUAL INSPECTION

All coal delivered hereunder shall be inspected visually at destination to determine that it is reasonable free from slate bone, sulfur balls, dirt and other characteristic impurities, or extraneous foreign matter, or from excessive moisture of water, or that it is oxidized and/or weathered, the receiving agency may reject the coal by prompt telephonic notice confirmed in writing to the contractor. All notices or rejection shall state proper identifying data.

REMOVAL OR REJECTED COAL

All shipment of such rejected coal shall be promptly removed from the premises of the University by the contractor at his expense. Should the University have consumed a part of such coal subject to rejection, such consumption shall not impair the University's right to remove the remainder of the rejected coal.

Any failure on the part of the contractor to remove rejected coal promptly, resulting in delay of subsequent shipments, shall be deemed sufficient grounds for the Purchasing Division to purchase an adequate supply of

coal on the open market; and the contractor will be held responsible for any difference in price over and above the contract price.

INTENTION

The Manager of the Heating and Cooling Plant will specify rate of deliveries and delivery points. It is to be generally understood that coal will be primarily delivered to the Medical Center Plant. It shall be the contractor's responsibility to deliver at least the guaranteed quantity as requested by the University of Kentucky. All deliveries must be made prior to the completion of the contract.

CONTRACTORS REPLY

We propose to furnish coal to the University of Kentucky in accordance with the terms and conditions as described herein. Any exception must be clearly stated. Award based on total delivered price per ton.

We guarantee the coal we will supply shall meet or exceed the following analysis:

- Moisture-Not more than _____(percentage)
- Ash-Not more than _____(percentage)
- Sulfur-Not more than _____(percentage)
- Fusion Point-Not less than _____(Degrees Initial Fusion Point)
- Of Ash
- B.T.U./lb (dry)-Not less than _____
- Fines-Not more than _____(percentage)
- Chlorine Content – Not more than _____(ppm)
- All analysis other than BTU to be made on coal as delivered.

*Name and Location of Coal Seam _____

We propose to supply this coal as the following price per ton. F.O.B.

Washed coal Mine Price per ton _\$ _____

Unwashed coal Mine Price per ton \$ _____

Trucking Charges price per ton \$ _____

Gallons per ton (fuel cost) _____

Total Delivered coal price per washed ton _____

Total Delivered Coal price per unwashed ton _____

Name of Company _____

Name of Person _____

Phone Number _____

FAX Number _____

SIGNATURE _____

This bid must be accompanied by an analysis of this coal from an independent testing laboratory.

MINE SOURCE

Contractor must deliver only coal which is produced by the mine designated on the contract except in the event of strikes, weather or other causes beyond the contractor's control. In such cases, the substitution of mines must be approved by the Purchasing Division.

Permission for substitution of a different mine source from the one specified in the contract shall under no circumstances be so construed as to allow a decrease in the guaranteed analysis.

PREPARATION As required to meet specifications. Ash shall not contain more than 20% Iron Oxide

RAW RUN OF MINE ANALYSIS:

Moisture _____ %
Ash _____ %
Sulfur _____ %
BTU (dry) _____ %
Fusion Temp. _____
Chlorine _____

(Indicate type preparation required to meet specifications. List all preparation facilities and applicable permit numbers and location of washer facility.)
