



INVITATION FOR BIDS

AN ORDINANCE GRANTING A LICENSE AGREEMENT FOR THE NON-EXCLUSIVE RIGHT AND PRIVILEGE TO OCCUPY AND USE THE STREETS, ALLEYS, AND PUBLIC PLACES OF THE CITY OF SUFFOLK FOR THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF AN INTERSTATE NATURAL GAS TRANSMISSION PIPELINE WITHIN AND THROUGH THE CORPORATE LIMITS OF THE CITY OF SUFFOLK, VIRGINIA

The City of Suffolk is considering granting a nonexclusive license agreement (“License”) to use and occupy the streets, alleys, and other public places of the City of Suffolk as the same now exist, or may hereafter be laid out, for the construction, maintenance and operation of an interstate natural gas transmission pipeline and other equipment, facilities and appliances (“Facilities”) necessary or convenient for the transmission of natural gas. Because the License will be in excess of five (5) years, the City is advertising bids in accordance with Section 15.2-2101 of the Code of Virginia (1950), as amended.

Interested parties should submit ten (10) complete copies of their bid, in writing, addressed to the City of Suffolk, ATTENTION: LICENSE BID, PURCHASING DIVISION, Post Office Box 1858 Suffolk, Virginia 23439. Bids, addressed as indicated above, may be hand-delivered to the City of Suffolk Purchasing Department at 442 West Washington Street, Suite 1086 Suffolk, Virginia 23434. **ALL BIDS ARE DUE ON OR BEFORE 12:00 P.M., NOON, Tuesday, September 18, 2018.** Bids shall also be received by the Mayor of the City of Suffolk at the regular meeting of the City Council, which will be held in the City Council Chambers located in the City Hall Building at 442 West Washington Street, Suffolk, Virginia on **Wednesday, September 19, 2018 at 7:00 p.m.**

After the receiving and opening of bids, the City Council, after consideration of the bids, will make a determination of which, if any, of the bids to accept, at which time the City Council may hold a public hearing to adopt an ordinance granting such License to the selected bidder. The City reserves the right to reject any and all bids. **The bid instructions are available from the City of Suffolk Department of Purchasing at the address listed above and may be obtained online from the City’s website: <http://apps.suffolkva.us/bids/>.**

A copy of the full text of the proposed ordinance is on file in the office of the City Clerk.



BID INSTRUCTIONS

AN ORDINANCE GRANTING A LICENSE AGREEMENT FOR THE NON-EXCLUSIVE RIGHT AND PRIVILEGE TO OCCUPY AND USE THE STREETS, ALLEYS, AND PUBLIC PLACES OF THE CITY OF SUFFOLK FOR THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF AN INTERSTATE NATURAL GAS TRANSMISSION PIPELINE WITHIN AND THROUGH THE CORPORATE LIMITS OF THE CITY OF SUFFOLK, VIRGINIA

CONTENT OF BID PACKAGE

Each bid package must contain, at a minimum, the following written information with documentation suitable for evaluation:

1. **Completed Bid Form.** The respondent shall complete the Bid Form, attached hereto as Exhibit A, setting forth the information requested for the respondent's offer, including the proposal for the use of the License area. Completion of the Bid Form signifies acceptance of the terms outlined in the General Terms of the License set forth in Exhibit B.

SCOPE OF SERVICES/ QUALIFICATIONS

The successful bidder shall demonstrate that it is authorized to transact business in the Commonwealth of Virginia and is duly authorized to construct, maintain, and operate an interstate natural gas transmission pipeline in the Commonwealth.

The successful bidder shall demonstrate through current and past similar projects, the professional, financial, and technical ability to install and maintain the Facilities. The successful bidder must also demonstrate that installation of the Facilities will serve the public interest.

The successful bidder shall be solely responsible for obtaining consent from the Virginia Department of Transportation for any Facilities to be located on right of way subject to its jurisdiction.

As a precondition to the grant, the successful bidder shall enter into a License agreement prepared by the City, which sets forth the conditions for the construction, maintenance, and operation of the Facilities. The License agreement further sets forth, among other things, that the license is non-exclusive, subject to the City's prior rights, and the successful bidder must maintain liability insurance and hold harmless and indemnify the City.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF FACILITIES

In connection with the above, the successful bidder shall be solely responsible for furnishing all capital, labor, materials, equipment, appurtenances, incidentals, and all other items necessary to construct, operate, and maintain the Facilities.

All engineering and all other costs, fees or other expenses, including, but not limited to necessary permits related to installing and maintaining the Facilities and any costs for advertising the notice of the public hearing for the License agreement shall be the sole responsibility of the successful bidder.

The successful bidder shall develop construction plans showing the location of the Facilities and indicate the depth at which the Facilities are to be buried. The plans shall be submitted to the City of Suffolk for approval. Licensee shall not construct or install the Facilities without first obtaining the City of Suffolk's approval of the plans. Licensee shall construct and install the Facilities in strict accordance with the plans approved by the City of Suffolk. Licensee shall make available to the City of Suffolk, at no cost, a copy of any applicable construction plans for the Facilities.

OTHER INFORMATION

Bond.

The successful respondent shall be required to execute a bond, with good and sufficient security, in a sum to be determined by the City, pursuant to Section 15.2-2104 of the Code of Virginia (1950), as amended.

PAYMENT FOR ADVERTISEMENT

The successful respondent shall be required to reimburse the City for the cost of the advertisement inviting bids and proposing to make the grant of the License agreement, pursuant to Section 15.2-2101 of the Code of Virginia (1950), as amended.

PROCESS

All proposals must be submitted to the City's Purchasing Department by **12:00 noon, Tuesday, September 18, 2018**. All proposals received after 12:00 noon, Tuesday, September 18, 2018 shall not be received by the City's Purchasing Department, but may be offered to the Mayor of the City of Suffolk at the regular meeting of the City Council, which will be held in the City Council Chambers located in the City Hall Building at 442 West Washington Street, Suffolk, Virginia on **Wednesday, September 19, 2018 at 7:00 p.m.**

The City of Suffolk reserves the right to reject any and all proposals, to proceed with a specific respondent or respondents, or to take any action that the City of Suffolk determines to be in the best interest of the City of Suffolk. The City of Suffolk also reserves the right to abandon the proposed License after the award of the bid to the selected respondent but before entering into a License, in the event the City elects for any reason whatsoever not to grant the License upon the property shown on the attached Exhibit C (the "License Area").

ATTACHMENTS:

Exhibit A: Bid Form

Exhibit B: General Terms of License

Exhibit C: License Area

EXHIBIT A

BID FORM

In compliance with and subject to this Invitation for Bids, which is made pursuant to Virginia Code § 15.2-2101, and the documents herein specified, all of which are incorporated herein by reference, the undersigned bidder agrees to furnish all expertise, labor, equipment, materials, and professional services necessary to construct, operate, and maintain the Facilities.

Failure to complete all parts of this Bid Form and furnish Bid Submittals A and B as requested, may result in rejection of said bid. One (1) original, so marked, and ten (10) copies of the entire bid must be submitted. Completion of this Bid Form signifies acceptance of the terms outlined in the General Terms of the License set forth in Exhibit B.

1. BIDDER INFORMATION:

Name: _____

Address: _____

I certify that the information provided herein is true and complete and that the bidder is legally qualified to perform the work and services included in this bid.

Bidder: _____

By: _____

Title: _____

2. BID SUBMITTALS

Bidder shall complete and enclose with its Bid, the following bid submittals. Failure to do so may result in rejection of bid in its entirety:

Submittal A - Statement of Qualifications: Proof that the respondent is authorized to transact business in the Commonwealth of Virginia and is duly authorized construct, maintain, and operate an interstate natural gas transmission pipeline in the Commonwealth.

Submittal B - Plan for Improvements: A written plan for the construction, maintenance, and operation of the Facilities within the License Area.

----- **END OF BID FORM** -----

EXHIBIT B

GENERAL TERMS OF LICENSE

It is anticipated that the successful respondent will enter into a forty (40) year license term with the City. The License may not be renewed after the expiration of the forty (40) year term; a new License agreement will have to be negotiated and entered into between the parties upon the expiration of the forty (40) year term, in accordance with applicable law. The successful respondent shall be responsible for the construction, operation, and maintenance of its Facilities within the License Area, which area is described on Exhibit C. Neither the City nor the successful bidder will be obligated to satisfy the terms set forth herein unless the successful bidder files its unconditional acceptance of the terms and provisions of the Ordinance upon its passage, which shall include additional terms or conditions deemed necessary by the City and other necessary and/or appropriate definitive agreements executed in the furtherance thereof.

LICENSOR: The City of Suffolk

LICENSEE: To be determined

LICENSE AREA: See Exhibit C, attached

TERM: 40 years

USE OF LICENSE AREA: The License Area shall be used only for the purpose of the construction, maintenance and operation of an interstate natural gas transmission pipeline.

ASSIGNMENT AND SUBLETTING: The Licensee shall not assign or sublet any of its rights or duties under the License agreement or any interest it may have herein without the prior written consent of the City.

INSURANCE: The Licensee shall obtain and maintain, or cause to be maintained, at all times from the effective date of the License, insurance coverage(s) in the type(s) and amount(s) as shall be determined by the City. In addition to workers' compensation insurance, the insurance coverage required to be maintained pursuant to the License, shall include, **but not be limited to:** commercial general liability insurance and employers' liability insurance.

AMENDMENTS: Pursuant to Section 15.2-2105 of the Code of Virginia (1950), as amended, the City shall not grant any modification to the License which shall extend the time or territory of such License until the provisions of §§ 15.2-2101 through 15.2-2104 have been followed.

SITE INSPECTION: Submission of a bid on this project shall imply that the bidder has examined the sites of work upon which it is bidding, has verified any measurements herein, and has satisfied itself as to existing and probable conditions under which it will be obligated to perform its work.

SUPERVISION: Licensee shall supervise and direct the work, using its best skill and attention. The successful bidder shall be solely responsible for all work means, methods, techniques, sequences and procedures and for coordinating all portions of the work subject to the License agreement.

GOVERNING LAW: The License agreement shall be governed, interpreted and enforced by the laws of the Commonwealth of Virginia without regard to its conflict of laws principles.

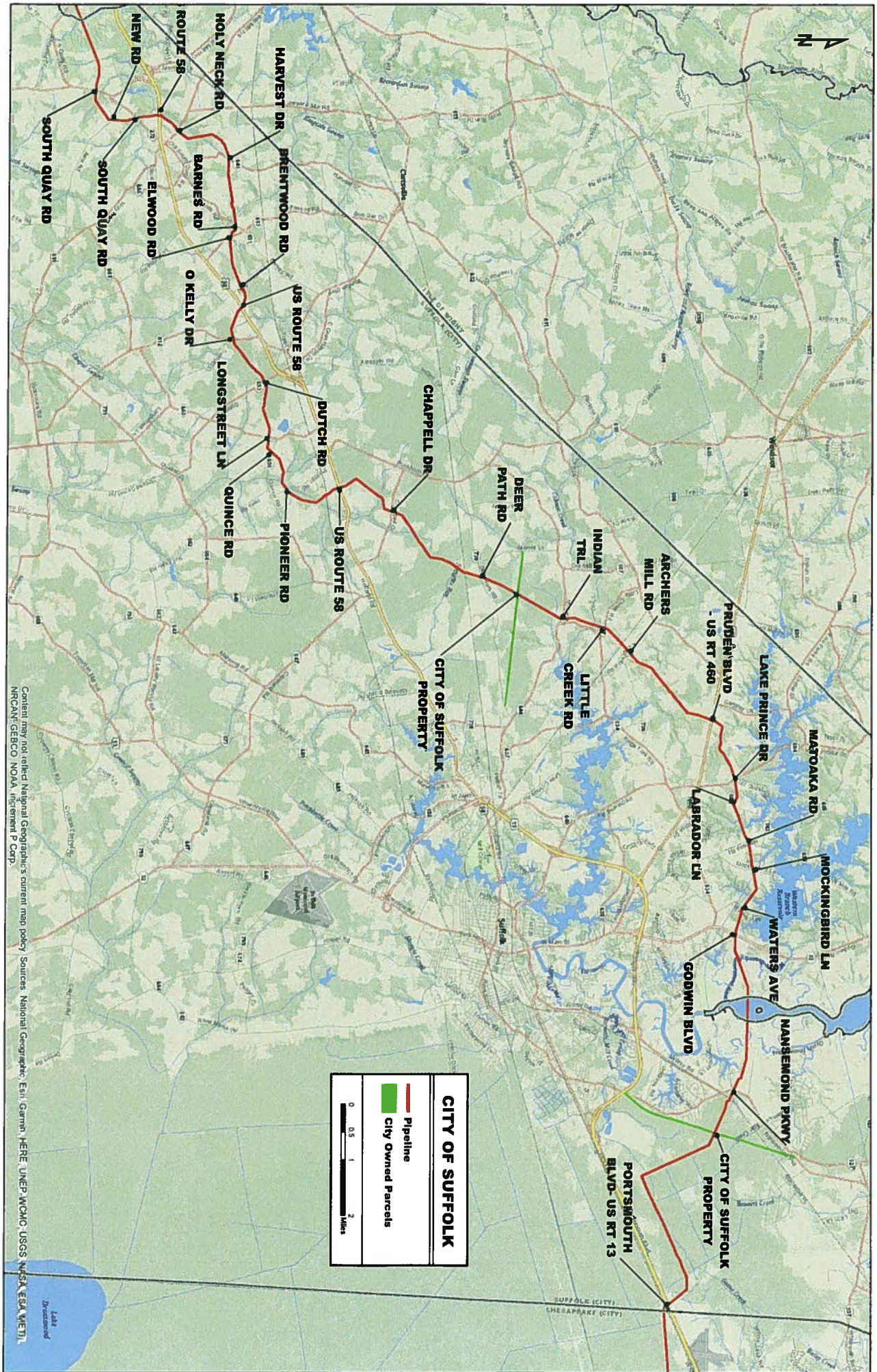
VENUE: Unless otherwise required by law, any action arising out of or related to the License agreement or the performance obligations thereunder shall be brought in the Circuit Court for the City of Suffolk, Virginia or, if applicable, the United States District Court for the Eastern District of Virginia, Norfolk Division.

ACCESS TO WORKSITE: The City, its officials, agents, employees and representatives shall at all times have access to the property subject to the License agreement, regardless of whether the Licensee is in preparation or progress of the permitted use, and the successful bidder shall provide safe facilities for such access and inspection by the City.

INDEMNIFICATION/HOLD HARMLESS CLAUSE: The successful bidder, its agents, representatives, affiliates, subsidiaries, and assigns shall indemnify, defend and hold the City, its departments, its officials, employees, agents and representatives harmless against any and all claims under any theory of liability, including but not limited to, third- party claims, expenses, costs, losses, and damages, reasonable attorney fees, personal injury, property damage or death which arises out of or in connection with the License agreement or the successful bidder's shared use of the property subject to the License agreement.



EXHIBIT C

License Area



**CITY OF SUFFOLK
PROPERTY**

**CITY OF SUFFOLK
PROPERTY**

	Pipeline
	City Owned Parcels

0 0.5 1 2 Miles

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