

**DeKalb County
Department of Purchasing and Contracting
Contract Renewal Request Form**

User Department: Sanitation	From: Tracy Hutchinson
ITB No.: 20-101254	Title: Compressed Natural Gas (CNG)
Effective Date: July 14, 2020	Expiration Date: July 31, 2022
Contract APPROVED Amount: \$1,560,000.00	Number of Renewals to Date: 1
Amount Released: \$1,229,405.50	

Contractor(s)	Contract No.	Agrees to Extend
AFS DeKalb GA, LLC	1219152	

User Department Recommendation: Renew Bid


Funding for Renewal Term: \$960,000.00
(Unused funds do not roll over to the next term. Provide the amount of funding necessary for the renewal term.)

Funding: General Enterprise 3 Digit Fund Code 541 Sanitation Enterprise
CIP Line Item No. (if applicable): _____

Award Amount(s):
Vendor 1: AFS/\$960,000.00 Vendor 2: _____
Name/Amount Name/Amount

Vendor 3: _____ Vendor 4: _____
Name/Amount Name/Amount

Justification:
PW – Sanitation would like to extend the contract with AFS DeKalb GA, LLC for one additional year until July 31, 2023. This contract provides compressed natural gas fuel for Sanitation vehicles. Furthermore, Sanitation accepts AFS' per GGE price increased from \$1.799 to \$1.969 effective as of August 1, 2022.

 _____ Department Director Signature	<u>4/12/22</u> _____ Date
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Department of Purchasing and Contracting
Contract Renewal Request Form**

For Use by Purchasing and Contracting:

Approve

Deny

Additional Comments:

Phyllis A. Head

Purchasing and Contracting Signature

_____ **Date**



March 21, 2022

VIA ELECTRONIC MAIL

Cathryn Horner
Purchasing Director
DeKalb County Government
Maloof Administration Building
1300 Commerce Drive, 2nd Floor
Decatur, GA 30030

Re: Bid No. 20-101254

Dear Ms. Horner,

American Fueling Systems, LLC and AFS DeKalb Georgia, LLC (AFS) truly appreciate your business and want nothing more than to continue offering outstanding product and services to DeKalb County Sanitation. Over the years, our business partnership has been extremely successful and we look forward to continuing to provide compressed natural gas (CNG) to DeKalb County Sanitation.

Pursuant to Section K of Bid No. 20-101254, AFS is requesting an increase in the contract price. AFS is requesting that the fixed per gallon price for CNG increase from \$1.799 per gas gallon equivalent or GGE to \$1.969 per GGE. The price referenced does not include any state or federal taxes required to be paid by the County. The requested increase will be effective May 1, 2022 and relates only to purchases of CNG at our fueling facility located at 4420 Buford Highway, Chamblee, GA.

This increase will be used to offset the dramatic increase in the cost of natural gas, the primary commodity used to manufacture CNG. We based the price offered in our bid submission on the average annual cost of natural gas. Since the cost of all commodities fluctuates daily, AFS focuses on both historical trends and average annual cost. For your convenience, we have attached natural gas price settlement history. During 2020, the yearly average price for natural gas was \$2.077/dekatherm. In 2021, that yearly average increased 85% to \$3.841/dekatherm. In 2022, that average price is up 138% to \$4.952.

•In addition to and like most operations, there have also been increases in the cost of other utilities used in production and the maintenance of the equipment and site. While this is an increase in the cost, the price being offered to DeKalb County Sanitation from AFS is still much lower than the current market price at our CNG stations or any other viable CNG location.

If you have any questions, do not hesitate to contact me. The most effective way to reach me is via email at ecrockett@woodvale.com or my mobile at 404-906-6269.

AFS remains committed to delivering outstanding quality and exceptional service to DeKalb County and thanks you for your continued support

Sincerely,



Elizabeth Crockett
Vice President-Operations

