

Delaware Community Schools

REQUEST FOR PROPOSALS GUARANTEED ENERGY SAVINGS

and

Facility Improvement Program

November 4, 2009

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Request For Proposal Guaranteed Savings Contract

Notice is hereby given that Delaware Community Schools shall receive proposals for a Guaranteed Savings Contract until 1:00 p.m. on **January 25, 2010** at the Office of the Superintendent located at 7821 State Road 3 North, Muncie, Indiana 47303.

The Owner's objective in issuing the Request for Proposals is to provide a competitive means in which to select a single Qualified Provider to perform the implementation of a guaranteed energy savings contract. Proposals will be evaluated in accordance with IC-36-1-12.5 and the Indiana "An Introduction to Guaranteed Energy Savings Contracts" guidelines. One hundred percent (100%) of all energy and operational savings over the term of the contract shall be retained by Delaware Community Schools. For information contact:

Darin K. Gullion – Assistant Superintendent at (765) 284-5074
RFP Posted at www.delcomschools.org

The Qualified Provider to whom the work is awarded shall conform to the local common wage rates as determined for this project. All Bids must include a proposal with the content and in the format described within the RFP.

Reconciliation of the guaranteed sums shall be on an annual basis, commencing one year from the date of completion of the total and complete program installation. The Qualified provider will provide the school corporation with quarterly energy audits and savings analysis over the life of the contract. Any identified energy savings may not be stipulated.

The Qualified Provider's guarantee shall be a first party direct guarantee from the Qualified Provider to the school corporation; no third party guarantee, such as from a non-qualified provider or insurance company, will be accepted.

The Delaware Community Schools' School Board reserves the right to terminate this project prior to bids being received, to reject any and all proposals and to be the sole judge of the value and merit of the proposals offered.

****Submission of Nine (9) copies of the proposal is required.****

RFP for Energy Project

This RFP requests a full RFP including guaranteed energy savings and final pricing for proposed Energy Conservation and Facility Improvement Measures (ECMs and FIMs) at Delaware Community School Corporation.

Proposed Time Line

Activity	Date
Wage Hearing Scheduled	
Wage Rates Transmitted to RFP Recipients	
First Advertisement for RFP	November 10, 2009
Second Advertisement for RFP	November 17, 2009
Mandatory Site Visit	November 19, 2009
RFP Due and RFP Review Begins	January 25, 2010
Possible Board Presentations	February 2, 2010
ESCO Selected	February 16, 2010
Contract Review Begins	February 17, 2010
Contracts Completed and Executed no later than	February 26, 2010
Equipment orders and non-disruptive installation	May 24, 2010
Full Installation begins	June 1, 2010
Substantial Completion and Cleaning Completed	August 9, 2010
Commissioning	To be negotiated
Monitoring	To be negotiated
Staff Training	To be negotiated
Proposed Contract Term	To be negotiated

Proposal Content and Format

Delaware Community Schools (the Owner) requests Proposals for the implementation of energy conservation measures, repairs and replacement services on a performance contracting basis. The contract shall follow IC 36-1-12.5 and “An Introduction to Guaranteed Energy Savings Contracts” guidelines. Qualified Providers must submit nine copies of their proposals. The cost of preparing a response to this request, including site visits and engineering analysis will not be reimbursed by the School Corporation.

Proposals must be submitted in the format outlined in this section. Each proposal will be reviewed to determine if it is complete prior to actual evaluation. The Owner reserves the right to eliminate from further consideration any proposal deemed to be substantially or materially unresponsive to the requests for information contained herein.

Proposal Format:

1. Cover Page
2. Table of Contents
 - Responses shall include a table of contents properly indicating the section and page numbers of the information included.
3. Executive Summary
 - Responses shall include a concise abstract of no more than three (3) pages stating the respondents’ overview of the project.
4. General
 - Include the following information on the Qualified Provider:
 - Name of Company
 - Address
 - Telephone Number
 - Fax Number
 - Contact Person for this Project
5. Firm’s Qualifications and Management
 - Number of Years Company Has Operated in Indiana
 - List the Lead Personnel employed by the Qualified Provider involved in this project. Include a resume on each person listing education, experience, work history, and responsibilities on this project.
 - The Most Recent Audited Financial Report or Annual Report
6. Engineering:
 - Each Qualified Provider shall provide the information requested below regarding the engineering services they will provide if selected to implement this project:
 - In-house Engineering Staff: Provide resumes on all Professional Engineers registered in the State of Indiana who are direct employees of the Qualified Provider who will perform engineering services on this project. In addition, list all other technical personnel who are direct employees of the Qualified Provider who will perform engineering services on this project. Specifically identify which engineers will be performing which engineering services.
 - Engineering Approach: Include a detailed explanation of how engineering services will be implemented. This explanation should include the people,

specific engineering services, timeline and external forces that could affect his approach.

7. Technical Aspects of the Proposal

- Information about the specific measures the Qualified Provider proposes about the respondent's technical approach.
- Owner requires two (2) sets of CAD drawings and one (1) set of digital CAD drawings to be submitted with the proposal and engineered and stamped as-built drawings and project O and M manuals for all improvements included in this project **upon project completion**.
- Include separate savings for each facility and each major portion of the project
- Each proposal should contain information about the respondent's technical approach to meeting the Owner's comfort, energy efficiency and operating cost reduction objectives.

8. Project Implementation:

- Qualified Provider's Involvement: Identify which portions of the project the Qualified Provider intends to implement with their direct employees.
- Subcontractor's Involvement: Identify which portions of the project the Qualified Provider intends to implement with their subcontractors.
- Project Management: Describe how the project will be managed from RFP award through completion of the installation phase. Include a resume on the project manager who will be responsible for managing this project.
- Implementation Plan: Provide an implementation plan, including completion dates, describing how the Qualified Provider intends to execute the project based on a **February 26, 2010** contract award.

9. Scope of Work:

- Proposals shall include the following improvements and other improvements that the Provider may choose to offer as alternates. Qualified Providers are to price each part of the project (as bulleted below) separately; however, providers are encouraged to group parts of the project and quote discounts if all of the divided parts are part of the final project.

A. **Delta High School will be evaluated for efficiency improvements in the following areas:**

- Lighting - All interior and exterior
- HVAC
- Digital Controls for HVAC*
- Upgrade or Replacement of Main Air Handlers
- Replacement of All Classroom Unit Vents
- New piping and insulation for all HVAC equipment
- Removal of all unused equipment

B. **Alternates: Include in the alternates for Delta High School the following:**

- Electrical Upgrades to classrooms (at least 20amp)
- New Fire Alarm System*
- New or Upgraded Security System*
- Insulation in areas as needed
- New Maintenance area in HS mechanical plant

- Classroom Ceiling Projector Installation & Power Wiring
 - New Ceiling Tile and Grid
 - Enclose existing outside staircases to prevent animal entrance
 - A/C for main high school gym
- C. Royerton Elementary School will be evaluated for efficiency improvements in the following areas:
- HVAC
 - Digital Controls for HVAC*
 - Outside Brick Repair
- D. Albany Elementary School will be evaluated for efficiency improvements in the following areas:
- HVAC
 - Digital Controls for HVAC*
- * Integrated into Webs – Ax Architecture
- E. Alternates: Provide any alternates that you believe would be of interest to the owner as separate line items.

- All respondents are encouraged to identify other alternate improvements that may prove advantageous for Delaware Community Schools to consider.
- Description Requirements: The “Scope of Work” shall include detailed descriptions as follows.
 - Equipment and material: type, size, location and manufacturer.
 - Implementation plan in chronological order.
 - Cost schedule must be itemized by building and solution

10. No Change Order Guarantee:

- The Provider must include a statement in their proposal and subsequent contract that clarifies that the Provider takes sole responsibility for all work required to properly implementing the renovation unless a portion of the required work is specifically excluded from their proposal. The Provider shall cover all costs associated with work omitted from their proposal and / or contract that are required for complete and properly functioning systems, including all unforeseen work. Proposals excluding any required work may be rejected and proposals that do not include a “no change order guarantee” adhering to the aforementioned requirements shall be rejected without further consideration.

11. Financial Aspects:

- All Qualified providers responding to this RFP are required to include a breakout for all direct costs from any sub and sub/sub contractor. These costs must also be provided, in an attachment to the proposal, the direct project quotations from all sub and sub/subcontractors for the scope of work included in the response.
- Qualified providers must also provide a direct cost break out for any material that is being purchased directly by the qualified provider. These costs should include the manufacturer of the equipment, technical specifications and an equipment quote from the manufacturer validating the costs.
- Qualified providers are required to submit a list of sub and sub/sub contractors they will be working with on this project. Upon award, the school corporation requires the qualified provider to enter into a subcontract with these contractors

for the costs provided in this proposal to complete the agreed upon scope of work.

- Qualified providers are required to indicate their willingness and experience in helping schools secure financing, including QZAB, QSCB, and traditional instruments.

12. Payment Explanation:

- The Owner intends to pay approximately \$50,000 from accumulated cash in CPF, bond issue, and other sources. For the balance list the following:
 - Principal amount: The principal amount is the total installation cost less any down payment.
 - Finance cost: Finance cost is the interest rate of the payment plus any legal fees required to execute the contract.
 - Annual lease payment: Annual lease payment is the annual cost for principal, interest and legal fees.
 - Monitoring cost: Monitoring cost includes the annual cost to track annual savings and other guarantees written into the Providers "Performance Guarantee Agreement".
 - Payment term: The payments shall be spread over a ten-year term.
 - Payment frequency: Payments shall be semi-annual.
 - All proposed Energy Conservation Measures (ECM) shall be described in detail and detailed calculations shall be included for each ECM. These ECMs should be presented in a spreadsheet delineating the ECM cost, simple payback, energy, O&M savings.
 - Information about the respondent guarantee as to (A) Total annual energy and operational savings, (B) Annual payments to the respondent, and (C) The net benefit from the proposed transaction should be included in this section.
 - Any other terms or information relevant to the financial aspect of the proposed transaction (other than information concerning the method to be used in measure energy savings.)

The owner reserves the right to pay-off the balance in full or in part at anytime with the energy savings terms of this agreement remaining in effect.

13. Training and Support Services:

- Explain Qualified Provider's plan for providing training and support services.
- Range of Services: Describe the range of services being offered by your firm, such as maintenance, training, follow-ups, auditing, etc.
- Discuss the proposed mechanism, which will guarantee the local support services necessary for fulfilling the contract terms. Include any changes you are proposing to the physical parameter of the facility: such as temperature, lighting level, humidity, and ventilation.

14. Performance Assurance:

- Explain how the Qualified Provider plans to address performance assurance.
- In-house Personnel: Include resumes on any performance assurance engineers in direct employment of the Qualified Provider.
- Contracted Personnel: Include resumes on all performance assurance engineers presently contacted by Qualified Provider.

- Organization: Describe the organization the Qualified Provider has in place to insure successful performance over the 20 year guaranteed term.
- Baseline: Describe the methodology used to compute the energy baseline. The only energy measurement and verification protocol that will be accepted for this project must conform to the IPMVP option “C.” Any deviation from this protocol will not be accepted. Any shortfalls in the energy guarantee will be reconciled annually with the School Corporation over the term of the contract.
- Past Guarantees: Provide a reference identifying the following for every Indiana customer that falls within IC 36-1-12.5 with which the Qualified Provider has a performance guarantee.
- Submit 5 references for Indiana Customers
 - Contact Name and Telephone Number
 - Guaranteed Energy Savings and Guaranteed Operational Savings Shown Separately.
 - Actual energy savings for past annual periods versus guaranteed energy savings over those same periods – use the Guarantee Report.
 - Explain any shortfalls.
- Performance and Payment Bonds: Performance bonds are required per IC 36-1-12.5 to insure the faithful performance of the proposed guaranteed savings project. All Qualified Providers must provide Proof of Bondability with their RFP response from the surety from whom they intend to purchase performance bonds. The Proof of Bondability must include a commitment from the surety to provide a bond covering 100% the estimated guarantee savings amount over the term of the guarantee. These bonds must have a minimum rating of A from Best rating service. RFP responses failing to provide a Letter of Bondability as described herein will be rejected.

15. Legal Documentation

- IC 36-1-12.5 requires that Qualified Providers submit with their proposal certification from the Indiana Department of Public Works that they and their subcontractors (for all subcontracts in excess of \$150,000) are certified to perform the work included in their proposal. This statute also requires that each Qualified Provider be a Certified Professional Services company that employs a minimum of one full time employee registered in the State of Indiana as a Professional Engineer.
 - a. Include a copy of the certification from the Indiana Department of Public Works that proves the Qualified Provider is a Certified Professional Services company.
 - b. Include a copy of the certification from the Indiana Department of Public Works that proves the Qualified Provider is a Certified Contractor.
 - c. Include a copy of all subcontractor certifications from the Indiana Department of Public Works for all subcontracts in excess of \$150,000.
 - d. Include the names and PE numbers for all full time employees who are professional engineers registered in the State of Indiana.

Evaluation Criteria

All Providers must pass all four requirements listed in the “Minimal Criteria” to be considered for the weighted evaluation. All Providers passing these four minimal requirements will be evaluated on: a) project management, b) technical approach, c) financial approach, and d) legal approach in the criteria listed below by Owner. The Owner may select the Qualified Provider based on several criteria that include but are not limited to the following:

Minimal Criteria

- a. Included copy of the certification from the Indiana Department of Public Works that proves the Qualified Provider is a Certified Professional Services company.
- b. Include a copy of all subcontractor certifications from the Indiana Department of Public Works for all subcontracts in excess of \$150,000.
- c. Include the names and PE numbers for all full time employees who are professional engineers registered in the State of Indiana.
- d. Included a bonding company used by the Qualified Provider to insure their faithful performance with an A rating as determined by A.M. Best.

Evaluation Criteria

A. Project Management

- 1) Clear responsibility of various project tasks to specific individuals.
- 2) Ability to manage construction, repairs, regular service and emergencies.
- 3) Ability to self perform energy related energy conservation measures.
- 4) Comprehensiveness of management, maintenance and monitoring services.
- 5) Ability to complete all phases of project on schedule.
- 6) Responsiveness to specific goals in RFP.
- 7) Qualify of communication skills of provider’s representatives in oral interview.
- 8) Ability to coordinate project construction with Owner staff and personnel.
- 9) Quality provisions for training staff.
- 10) Ability to provide line item and material billings for energy related measures

The Qualified Provider will provide background and qualifications of company and all persons responsible for project implementation.

The Qualified Provider will provide a list of references including: 1) project name, 2) owner contact, 3) description of work, 4) installed cost, 5) guaranteed savings, and 6) completion date for of all Guaranteed Energy Savings Contracts performed with Indiana Schools.

Preferences will be given to respondents demonstrating strong capabilities, experience and reputation in undertakings similar to those described in this RFP and other MEP Construction Projects.

List any projects or schools in Indiana where the provider has entered into litigation during the past five (5) years. Provide a brief summary and details of the litigation. Omission of any past litigation may result in disqualification.

B. Technical Approach

- 1) Understanding of existing building systems, operations and schedules.
- 2) Qualifications of technical design professionals.
- 3) Number and quality of past similar projects by person(s) responsible for design.
- 4) Reliability of similar equipment in past projects.
- 5) Documentation of previous projects managed by provider.
- 6) Documentation of technical approach and presentation during oral interview.
- 7) Documentation of energy savings, operational, and avoided cost of capital.
- 8) Approach to modifying control strategies to changing building conditions.

The Qualified Provider will demonstrate an understanding of existing building conditions, systems, operations and schedules and offer a sound technical approach to meeting the school district's objectives.

The Qualified Provider will address how their solution will ensure adequate room temperature, humidity, and air quality for each occupied space.

C. Financial Consideration & Net Economic Impact (Financial Approach)

- 1) Financial soundness and stability of provider.
- 2) Demonstrated ability to arrange financing.
- 3) Sample financing arrangement proposed for this project.
- 4) Quality and clarity of financial savings calculation methodology.
- 5) Completeness of most recent financial report.
- 6) Terms of guarantee of project's financial performance.
- 7) Demonstrated ability to meet savings guaranteed.

The Qualified provider will provide a cash flow summary, demonstrate ability to provide or arrange financing, and include a sample financing arrangement.

Preference will be given to the proposals that responsibly maximize the net economic benefit to the Owner and that responsibly minimize risk in connection with the proposed transaction. The energy and operating savings shall be guaranteed to cover the cost of the payments for the measures.

Include a "Base and Alternate Bid" with the specific conservation measures the respondent proposes to implement. Proposals not providing this individual break down may be rejected.

- ❖ Improvement Description
- ❖ Energy Reductions (kW, kWh, GCF, etc)
- ❖ Installation Cost
- ❖ Operational Savings
- ❖ Energy Cost Reduction
- ❖ Actual Verified Energy Savings
- ❖ Stipulated Energy Savings
- ❖ Capital Cost Avoidance

D. Energy Savings Amount and Strength of the Guarantee (Legal Approach)

- 1) Quality of sample legal document.
- 2) Contractual provisions to accommodate changes in building use.
- 3) Quality of provisions to terminate agreement by either party.
- 4) Ability to comply with all provisions of IC-36-1-12.5.

The Qualified Provider will provide a copy of a sample agreement.

Preference will be given to contract provisions that are flexible to changes in building energy use, provide provisions for early termination by either party, and comply with all requirements of IC 36-1-12.5.

The Qualified Provider must include a summary of the reported annual savings for all completed projects. Any projects that did not meet the annual energy guarantee must be listed with an explanation for the shortfall.

Performance Guarantee Agreement

Project: Guaranteed Energy Savings Contract
Delaware Community Schools

Qualified Provider:

Company Name: _____

Address: _____

City, State, Zip: _____

Representative: _____

Performance Guarantee Information:

Annual Guaranteed Operational Savings Amount =	\$ _____
Annual Guaranteed Actual and Verified Energy Savings Amount =	\$ _____
Annual Guaranteed Stipulated Energy Savings Amount =	\$ _____
Annual Stipulated Avoided Cost of Capital Savings Amount=	\$ _____

Total Annual Guaranteed Amount = \$ _____

Program Term = 10 Years

The Guarantee:

The Qualified Provider shall provide the school with written quality assurance guarantees on room temperature, humidity, and air quality for each occupied space. The guarantee must include anticipated remedies if performance guarantees are not realized to ensure the **'Guaranteed Learning Environment'** is achieved.