

REQUEST FOR PROPOSALS
FOR
COMPREHENSIVE GUARANTEED ENERGY PERFORMANCE CONTRACT

For

City of Portage

Portage, Indiana

**REQUEST FOR PROPOSALS
FOR
COMPREHENSIVE GUARANTEED ENERGY PERFORMANCE CONTRACT**

TABLE OF CONTENTS

I. OVERVIEW & GENERAL REQUIREMENTS

- a. Introduction
- b. Date of Issue
- c. Contracting Unit
- d. Point of Contact
- e. Deadline for Proposals
- f. Right to Reject and Modify
- g. Disposition of Proposals
- h. Proprietary Data
- i. Withdrawal of Proposals
- j. Extension
- k. Timeline

II. PROPOSAL REQUIREMENTS

- a. Purpose & Scope
- b. Desired Capabilities
- c. Qualifications of Provider

III. PROPOSAL CONTENT & FORMAT

- a. Number of Copies
- b. Format
- c. Contract Selection
- d. Interviews

I. OVERVIEW & GENERAL REQUIREMENTS is requesting proposals from qualified Energy Services Companies (or “ESCOs”) to analyze its operations and to propose a comprehensive energy performance contract resulting in the implementation of conservation measures and improvements to the City’s facilities, its buildings, equipment, and related appurtenances, including the City’s vehicles.

The City’s objective in issuing this Request for Proposals (RFP) is to provide a competitive means whereby the City may identify and select a single ESCO to fulfill all aspects of a potential project. The City will base provider selection on several criteria including, and most importantly, upon what is in the best long-term interests of its community. Particularly, the City is most interested in identifying an ESCO whose approach is comprehensive, innovative, and sustainable – an approach designed to protect and responsibly manage the City’s resources for all of its citizens, present and future. In this sense, the City seeks a partner with a history of successful project design, delivery, and implementation within this State, and elsewhere, if applicable.

An ESCO responding to this RFP may identify in its response prospective sources of energy, fuel, or water consumption and/or cost reductions, City operating cost reductions, increased energy efficiencies, and/or applicable billable revenue increases or increased billing accuracy, the sum of which will be required to cover the costs of the payments for any conservation measures and improvements implemented by it.

At a minimum, the City is soliciting such responses to identify a provider that will assist it in accomplishing the following goals:

- 1. REDUCTION OF ENERGY CONSUMPTION**
- 2. REDUCTION OF ENERGY COSTS**
- 3. REDUCTION OF OPERATIONAL COSTS**
- 4. DEVELOPMENT OF AN ALTERNATIVE FUEL/FLEET INFRASTRUCTURE**
- 5. REPLACEMENT OF EQUIPMENT THAT HAS EXCEEDED ITS USEFUL OPERATING LIFE**
- 6. GUARANTEED SAVINGS**

The ESCO selected by the City will be required, if applicable,¹ to propose an energy performance contract wherein the responding ESCO will guarantee savings and cost reductions achieved by its proposed measures and improvements will cover the cost of payments for their implementation, and if they do not, the ESCO will agree to reimburse the City for the difference between the guaranteed savings and the actual savings; provided, however, that the responding ESCO may include within a Comprehensive Guaranteed Energy Performance Contract proposed improvements that are not causally connected to a conservation measure provided said improvements are in compliance with Indiana Code § 36-1-12.5-12.

¹ The City may elect to independently finance some of the proposed project and not utilize financing options identified by the successful responding ESCO.

The proposals should describe the provider's ability to build a program that will identify the City's future obligation for the costs for installation, modification, improvements, and retrofits, including, without limitation, costs for design, engineering, project management, installation, repairs, debt service, and all post installation energy auditing, monitoring, or necessary maintenance.

a. Date of Issue

The City is issuing this RFP, effective this 7th day of August, 2017.

b. Contracting Unit

Upon selection of a qualified ESCO, the final contract shall be negotiated with City's Attorney and applicable Boards.

c. Point of Contact

The City's point of contact for any information related to this RFP will be:

Colin Highlands, Special Projects Manager, 6260 Central Ave, Portage, IN 46368; Phone: 219-841-6428; and e-mail: chighlands@portage-in.com

All communications by interested respondents concerning this RFP must be directed to the City's contact person listed above. Unauthorized contact with other City employees, Council or Board Members regarding the RFP may result in disqualification.

Any oral communication will be considered unofficial and non-binding on the City. Only written statements issued by the City will be considered binding addenda to the RFP.

All interpretations provided to the prospective respondents will be issued in the form of written addenda to this RFP and will be sent to all prospective respondents who have provided their contact information to Colin Highlands. Interested parties should provide their contact information to Colin Highlands at their earliest convenience. Such addenda are to be covered in the proposals, and in closing a prospective contract and will become a part thereof.

d. Deadline for Proposals

All proposals must be submitted in a sealed envelope plainly marked "**City of Portage Request for Proposals for Comprehensive Guaranteed Energy Performance Contract**" and received on or before September 14th, 2017 4:30 p.m. CDT, at the following address:

City of Portage, City Hall, 6070 Central Ave, Portage, IN 46368. Attn. Colin Highlands

Clearly mark one (1) hard copy of the proposal as "ORIGINAL" and provide three (3) hard copies and one (1) digital copy of the proposal, signed by an authorized representative or officer of the respondent, and formatted as described in Section III. Late proposals will not be accepted. No telephone, telegraph, fax, or email proposals will be accepted.

Proposals are to be prepared simply, providing a straight forward, concise description of the organization's capabilities to satisfy the requirements for the proposal. Emphasis should be on completeness and clarity of content.

e. Right to Reject and Modify

The City reserves the right to accept any response to this RFP, reject any or all proposals, and waive any irregularities or informalities when it determines to do so is in the best interest of the City.

A proposal that is in the possession of the City may be altered by letter bearing the signature of the person authorized for offering, providing it is received prior to the deadline for submission of proposals.

This RFP does not commit the City to award a contract, pay any costs incurred in preparing a proposal, procure or contract for services, or to adhere to any predetermined timeline or schedule of events. Respondents are solely liable for any costs regarding preparing and submitting a proposal, including submitting additional information, if any, or attending participating in a meeting requested by City after the proposals are opened and, if their proposal is selected, negotiating and executing a contract including all contract documents.

Proposals that are incomplete, not properly endorsed, do not follow the requested format, or otherwise are contrary to the guidelines of this RFP or Indiana Code § 36-1-12.5, et seq., may be rejected as non-responsive at the City's discretion.

The City reserves the right to request clarification from any or all respondents submitting proposals, either through documentation, written correspondence, or oral conversation.

The City may select a qualified, responding ESCO, even if that ESCO is the sole respondent.

f. Disposition of Proposals

All proposals become the property of the City and will be returned only at the City's option and at the expense of the requesting respondent. One copy of each proposal will be retained for the City's official files.

g. Proprietary Data

If a proposal includes any proprietary data or information that the respondent does not want disclosed to the public, such data or information must be clearly and specifically identified on each page where it occurs by the respondent. Proprietary data or information will be used by the City solely for the purpose of evaluating the qualifications of the respondent.

h. Withdrawal of Proposals

Proposals and all conditions therein shall remain in effect for a minimum of sixty (60) days from the proposal opening date. Any proposal may be withdrawn or modified by written request of the respondent, provided the City receives such a request before the deadline for submissions at the address specified in Section I. e., above.

i. Extension

Each respondent agrees that its proposal or subsequent contract may, with the mutual approval of the respondent and the City, be extended as deemed necessary by the City.

j. Timeline

The City expects to undertake the selection process described below and project implementation according to the following projected schedule:

Submission of Proposals	September 14, 2017
Selection of Provider	September 15, 2017
Contract Execution	October 3, 2017
Project Begins	October 11, 2017

II. PROPOSAL REQUIREMENTS

a. Purpose & Scope

The City seeks to select a qualified ESCO that satisfies the requirements of Indiana Code §§ 36-1-12.5-3, as well as this RFP (herein, a “Qualified Provider”), to provide comprehensive professional services and enter into a negotiated Guaranteed Energy Savings/Performance Contract with the City. The City seeks to partner with its selected Qualified Provider to maximize energy savings, reduce energy and operational costs, and to leverage, if reasonably possible and cost effective, alternative fuel sources while upgrading outdated and obsolete equipment, where possible, through the funding generated by such contract. The term of the contract shall not exceed twenty (20) years.

The City will select one (1) Qualified Provider who will:

- Provide comprehensive facility improvement services for selected buildings within the City, including the performance of detailed facility audits; design, selection, installation and commissioning of energy efficient equipment and systems; long-term performance management of the guaranteed savings; construction management; and utility consulting services.
- Provide training of City staff on installed equipment.

b. Desired Capabilities

The respondent hereto must demonstrate capability in engineering and management to provide a broad range of comprehensive energy performance services. Services may include, but are not limited to the following:

Audit and Project Development

- Technical Energy Audit to evaluate cost and savings of a variety of energy saving measures.
- Project Development Plan, including financial analysis.

Construction / Implementation / Financing

- Independent equipment procurement and purchasing methodology

- Construction Management
- Hazardous Waste disposal
- Financing capability, ability to offer various sources of financing, and creative financial solutions

Commissioning / Guarantee / Monitoring

- Commissioning capabilities
- Performance and cost guarantee of savings
- Monitoring and verification for measurement and reporting of the performance and savings from improvements
- Maintaining long-term performance of buildings, fixtures, and equipment

Technical Capabilities and Experience

The respondent must identify its capabilities and experience, if any, within the following areas of technical expertise.

- Heating, ventilating and air condition (HVAC) systems, central plant solutions, steam and hot water systems, chilled water systems, domestic hot water systems, distribution systems, etc.
- Lighting systems, including indoor and outdoor lighting systems, lighting controls, day lighting strategies, etc.
- Building envelope systems, including roofs, windows, doors, insulation, etc.
- Energy management and control systems, computerized maintenance management systems, etc.
- Water and Wastewater systems, including automatic controls, metering, low-flow waste systems, cooling tower modifications, irrigation systems and controls, etc.
- Specialty systems, including laundry and kitchen equipment
- Renewable/green technologies and their capabilities
- Alternative fuels/fleet development

c. Qualifications of Provider

The selected Qualified Provider and its proposal shall meet the following minimum criteria and obligations:

- Satisfies the requirements of Indiana Code § 36-1-12.5-3(a)(2) and (3).
- Is certified to perform professional services relating to public works projects pursuant to Indiana Code § 4-13.6-4, et seq.
- Is registered to do business in the State of Indiana.
- Must be NAESCO (National Association of Energy Services Companies) certified.
- Must be qualified by the Federal Department of Energy (DOE).
- Indiana Department of Public Works certified.
- A minimum of ten (10) years in business as an Energy Services Company.
- Provide proof of ability to meet minimum insurance and bonding requirements. Demonstrated ability to secure an energy savings bond.
- Except as provided by IC § 36-1-12.5-12, improvements must result in guaranteed savings by the Respondent and linked to actual measured reductions of operational expenditures.

- Savings guaranteed and achieved by the installed projects must be sufficient to cover all project costs, including interest and annual maintenance/monitoring fees for the duration of the contract term.
- One hundred percent (100%) of all energy and operational savings over the term of the contract shall be retained by the City.
- Annual reconciliation of guaranteed sums, commencing one year from the date of completion of total program installation.
- Annual savings reports and analysis over the life of the guarantee.
- First party guarantee from the Qualified Provider to the City. No third party guarantee, such as from a non-contractor insurance company, shall be accepted.

The City hereby notifies all Respondents that minority and women owned business enterprises will be afforded full opportunity to submit proposals in response to this RFP and will not be discriminated against on the grounds of sex, race, color, or national origin in consideration of an award.

III. PROPOSAL CONTENT AND FORMAT

A. **Number of Copies:** All respondents shall submit one (1) original and three (3) identical hard copies and one (1) digital copy of their proposal.

B. **Format:** Proposals must be in a correct format and complete. Clarity and concise, orderly treatment are important. Respondents must address each item in the RFP in the following order and with the respective headings.

1. Cover Page Including:

- a. RFP Title
- b. Respondent Name
- c. Respondent Address
- d. Respondent Telephone Number
- e. Respondent Fax Number
- f. Respondent Primary contact name and email address

2. Executive Summary Including:

- a. Brief discussion of company history and qualifications
- b. Brief discussion of technical capabilities

3. Business Qualifications Including the Following Criteria:

- a. Years in business as an Energy Service Company or a company providing energy services.

- b. Location of Branch Offices supporting this project.
- c. Location of the Qualified Provider's Headquarters, if different than Branch Office location.
- d. The Qualified Provider's affiliate organizations, if any.
- e. Number and type of registered professionals (Professional Engineering license, Certified Energy Managers, etc.) in Performance Contracting division of the company.
- f. National or regional awards.
- g. Annual performance contracting awards for past ten (10) years.
- h. Ratio of performance contracting sales to overall company sales, ratio of control systems sales to performance contracting sales, ratio of services (service contracts, time and materials, maintenance, et.) sales to performance contracting sales.
- i. Total outstanding guarantees and the amount of guarantee shortfalls paid out to customers.
- j. Provide a copy of your Certificate of Accreditation from NAESCO and the number of consecutive years that your firm has been accredited as an ESCO by the NAESCO. Lack of accreditation will result in 0 points for this section.
- k. Provide proof or certification that your company is an approved performance contractor for the United States Department of Energy (DOE).
- l. Financing sources and ability to procure energy rebates or financing for projects.
- m. Identification of any and all ongoing and prior litigated claims, filed within the past seven (7) years, involving contracts executed by and between the Qualified Provider and a governmental entity that included an allegation of poor workmanship, incomplete, or uncompleted work or allegations that the respondent failed to adhere to statutory requirements, including procurement and/or lobbying laws. Respondents must include a brief explanation of the disposition of any such litigation. Litigation history requested shall not be limited to claims between the respondent and the government but also includes litigation between the respondent and any other person or entity, including taxpayers and subcontractors.

4. Personnel Qualifications

- a. Identify the one person (Project manager) who will have primary responsibility for coordinating services through all phases of the project and ensuring that the Qualified Provider meets its responsibilities to the City.
- b. Resumes of key individuals who are likely to have a substantial role in the project, at a minimum:
 - i. Account Manager
 - ii. Lead Project Developer
 - iii. Project Manager
 - iv. Engineering/Technical Personnel
 - v. Performance/Guarantee Manager
- c. Organizational Chart providing a graphical representation of participants and reporting structures within your organization and specifically for this project.
- d. Identify Affirmative Action Plan and plan details. Respondents must meet all requirements for equal employment opportunity under Title VII of the 1994 Civil Rights Act, as amended. Each respondent must also ensure that to the greatest extent feasible, opportunities for training and employment should be given to lower income residents of the project area and purchases and/or contracts for work in connection with the project should be awarded to small business concerns which are located in, or owned in substantial part, by persons residing in the area of the project.

Each respondent shall submit, and have approved by the City, its written Affirmative Action Plan at least twenty-four (24) hours prior to the deadline for submission of qualification packages. Proposals for which an approved Affirmative Action Plan has not been timely submitted will be returned unopened.

The plan must ensure that all employees and applicants for employment are not discriminated against because of race, religion, color, sex, sexual preference, sexual identity, national origin, age, or disability. The appropriate protected classes must be included in the respondent's Affirmative Action Plan for it to be accepted by the City.

In addition to other requirements, the respondent's plan MUST include a workforce breakdown by job group, an internal grievance procedure, a non-retaliation statement, designation of a person by name or position who is responsible for implementation of the plan, applicability to both the respondent's applicants and employees, recruitment of minorities, equal access to training programs, and an explanation of respondent's method of communicating the operations of its Affirmative Action Plan to employees and its prospective applicants. Each respondent's workforce breakdown figures must be updated at least once every twelve (12) months. Respondents who fail to submit acceptable plans are subject to disqualification.

5. Approach to Project Evaluations, Project Management, and Technical Experience

- a. Information about how the respondent will determine the scope of work to be implemented throughout the City facilities to reduce operating costs (installation /

retrofits, repair, replacement, etc.) and the technical standards, protocols, and benchmarks that will be used in performing the evaluations.

- b. A description of the project management procedures employed by the respondent and overall approach to managing projects, including a sample construction schedule. Describe the procedures for identifying issues, monitoring the program, assuring quality, maintaining the project schedule, and assuring project success.
- c. References detailing technical capabilities and experience.

6. Financial Evaluation Methodologies

- a. The respondent should describe in detail its ability to assist the City in identifying financiers in order to build a financial plan acceptable to the City.
- b. The respondent must provide a description of prospective financial considerations, including:
 - 1. Method to be used in determining the City's payment
 - 2. The frequency of payments
 - 3. The term of a proposed agreement
 - 4. Method to be used in determining responder's payment
 - 5. The prospective bank or banks to be involved
 - 6. The respondent's method used to verify energy savings and/or cost reductions, including a detailed explanation of how savings calculations will be adjusted to reflect changes in weather, occupancy, utilization of the facilities, etc.
- c. The respondent will be required to demonstrate the capability to arrange for financing for this project and must be able to justify and explain the process for determining the fiscal effort required to produce project funding.
- d. The City may elect to fund some or all of the project directly from existing sources or, if available, grant monies.

7. Project Experience Summary

- a. Respondents must have experience with municipal energy and operational projects of a similar size and type. The experience must include the ability to identify, engineer, design, install, maintain, monitor, and manage a large-scale, comprehensive energy and operational efficiency program with guaranteed energy cost savings.
- b. Provide a summary of municipal projects executed for the last five (5) years. Data shall include customer name and address, project scope, projected savings, actual savings achieved to date, construction period, and references for the project including name, address, e-mail, and contact phone number.
- c. List all municipal Guaranteed Energy Performance Contract projects that have been completed by your firm within the past ten (10) years.

8. Financial Statement & Financial Interest Disclosures

- a. Respondents shall include the company's annual report or, in the case of privately held companies, audited financial statements or equivalent for the most recent complete fiscal year period. If the respondent is a subsidiary organization, then respondent shall provide financial statements for its parent organization. Notwithstanding Indiana Code § 5-14-3-4(a)(5), a financial statement submitted pursuant to this RFP is considered confidential financial information for purposes of IC 5-14-3.
- b. If respondent, including an affiliate organization such as a subsidiary or parent company, manufactures, sells, or otherwise distributes in commerce, equipment, materials, or other goods that respondent suggests to be used or installed on or about the City's facilities as a part of the potential project, then the respondent must clearly identify its relationship and interest, if any, with or in such organization(s) within its response.

9. Measurement and Verification

Provide a detailed explanation of how the respondent intends to calculate energy savings and what types of Measurement and Verification guarantees will be offered.

10. Insurance Coverages

The respondent shall provide satisfactory evidence of its ability to secure the following coverages during the course of the Guaranteed Energy Performance Contract:

- a. Worker compensation and Employer's liability in accordance with Indiana law.
- b. Commercial General Liability Insurance with limits of no less than \$1,000,000 per occurrence, \$2,000,000 aggregate.
- c. Professional Liability Insurance with limits of no less than \$1,000,000 per occurrence.
- d. Pollution Liability Insurance with limits of no less than \$1,000,000 per occurrence.
- e. Excess Liability or Umbrella Insurance for Commercial General, Professional, Pollution, and Automobile Liability with a maximum limit of no less than \$15,000,000.
- f. Automobile Liability Insurance with limits of no less than \$1,000,000 per occurrence.
- g. Whether through specific or blanket endorsement, an endorsement to the respondent's Commercial General Liability Insurance and Automobile Liability policies naming the City as an additional insured.
- h. All insurance shall be carried with companies, which are financially responsible and licensed to do business in the State of Indiana. If any such insurance is due to expire during the contract period, the contractor shall not permit the coverage's to lapse and shall furnish evidence of coverage to the City. Certificate shall provide that insurer will

notify City in event insurance lapses and that City may, at its discretion, purchase continuing coverage and back charge respondent for cost of same.

11. Payment and Performance Bond

The successful respondent will be required to provide a Payment and Performance Bond. Respondents shall acknowledge their capabilities to be able to provide a Payment Bond and Performance Bond in the amount of the total construction costs at the time the contract documents are signed.

12. Compliance With Applicable State and Federal Requirements

A successful respondent shall conform to all provisions of federal, state, and local laws, rules, and regulations applicable to this project.

13. Selection

- a. Selection Committee: The evaluation of all proposals shall be performed by a selection committee consisting of the City's Administration and Utility Services Board.
- b. Scoring: Scoring shall be based on a total of 100 points. Each member of the Selection Committee will reach a cumulative score for each respondent and rank the respondents based on these scores. The scoring will be based on the following evaluation criteria:

- Team Members' Experience and Qualifications 40 Points
- Technical Approach 30 Points
- Project Management Approach 20 Points
- Financing Approach 10 Points

- C. Contract Selection: The most highly qualified provider will be selected to enter into negotiations for a Comprehensive Guaranteed Energy Performance Contract.
- D. Interviews: The City reserves the right to conduct interviews of respondents if the City determines interviews to be necessary in making a final ESCO selection.

CITY COUNCIL
CITY OF PORTAGE