

KENTUCKY DEPARTMENT OF EDUCATION**REQUEST FOR PROPOSALS**

for

GUARANTEED ENERGY SAVINGS CONTRACT SERVICES

School District Name: _____
School District Address: _____
Project: _____
RFP Date: _____

Contact Name: _____
Contact Title: _____
Contact Address: _____
Contact Phone: _____

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1. ANNOUNCEMENT

- A. The _____ Board of Education will receive Proposals from qualified Energy Services Companies (ESCOs) for Guaranteed Energy Savings Contract (GESC) services.
- B. Interested and qualified ESCOs can receive a copy of the official Request for Proposals (RFP) by submitting a one-page letter of interest to:
(Owner to Complete this Section)

- C. The Owner requests proposals for the identification, design and implementation of energy efficiency improvements on a guaranteed performance contracting basis.

The purpose of issuing this RFP is to identify and select a qualified provider, or ESCO, to perform the implementation of an Energy Savings Performance Contract, in accordance with KRS 45A.352 – Guaranteed Energy Savings Contracts involving local public agencies.

- D. An authorized representative of the School Board will receive the ESCOs' RFP for a minimum of 30 days until _____ time of day on _____, 20____ at the following address_____. RFPs **received after this date will not be accepted.**

- E. Proposals shall be submitted only on the form as received from the soliciting Board of Education.

- F. Proposals shall be enclosed in envelopes which clearly indicate a Proposal for Guaranteed Energy Savings Contract Services.

- G. Ownership of all data, materials, and documentation originated and pursuant to the RFP shall be subject to public inspection in accordance with prevailing public access laws.

- H. Responding ESCOs will be required to meet 702 KAR 4:160 and certain qualifications set out in the RFP and which include the following:

1. American Institute of Architects (AIA) documents as industry standard documents and AIA documents with KDE amendments, if utilized;
2. Evidence of GESC services experience in accordance with KRS 45A.352;
3. Evidence of ability to provide required insurances(s);
4. Evidence of ability to provide a bond for the installation and faithful performance of all the measures included in the contract;
5. KDE Non-Collusion Affidavit
(Owner to Add Other Specific Project Qualifications Required)

- I. Questions concerning the RFP or the project should be addressed to:
(Owner to Complete this Section)
- J. The Owner reserves the option of electing not to move forward with a GESB if the selection committee determines it is not in the best interest of the district.
- K. The RFP shall satisfy the requirements set out in KRS 162.070, and shall not be subject to an award determination based on the lowest competitive bid or a separate bidding process for each energy conservation measure listed in the proposal.
- L. This RFP is subject to KRS 45A.455 prohibition against conflict of interest, and gratuities and kickbacks.

2. INSTRUCTIONS TO PROPOSERS:

A. Preparation of Proposal:

- 1. The respondent is expected to comply with all specifications, terms, conditions, and instructions contained in this RFP. Failure to do so will be cause for rejection.
- 2. The proposals should be prepared simply and economically, providing a straight forward concise description of the proposer's capabilities to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content. Each copy of the proposal, and all documentation submitted with the RFP, should be bound in a single volume where practical. The Owner will not be responsible for any costs incurred by respondent in preparing or presenting the RFP.
- 3. Any exceptions taken to the terms and conditions of this RFP shall be clearly identified. If no exceptions are listed it will be concluded that the respondent will meet, in every detail, the conditions stipulated in this RFP.
- 4. Respondents shall be able to provide comprehensive building management and energy services including, but not limited to, the performance of energy audits, the design, selection, and installation of energy efficient systems, ongoing support and training services, assistance in securing financing for the transaction, and a written guarantee of savings. The Owner seeks a broad range of services and capital improvements in order to reduce the consumption and related costs of energy and water use in the schools and facilities listed in this document.
- 5. Responses to this RFP should be technically creative regarding modernization, energy conservation, energy management, maintenance, training, and overall service.
- 6. Respondents to the request of the proposed energy conservation measures and the guaranteed savings shall be supported by calculations. Any guaranteed energy and operational savings shall be determined by using one of the measurement and verification methodologies listed in the United States Department of Energy's "Measurement and Verification Guideline for Federal

Energy Projects” or in the “North American Energy Measurement and Verification Protocol.” The estimated cost of the proposed energy conservation measures shall include engineering, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going services; and proposed method and costs of financing.

7. The selection of the qualified respondents will be in accordance with the evaluation criteria of KRS 45A.352, based on the responses to the RFP and the ability of the provider to best meet the needs of the Owner. The Owner reserves the right to accept or reject any proposal based on its sole determination of its best interests. The Owner shall not be required to select any provider based on low cost, payback or other criteria. After selecting an ESCO, the Owner intends to negotiate a GESC with the selected provider. The selected provider must provide all energy calculations used to develop the project.
8. The qualified provider of a GESC shall provide the following, in accordance with KRS 45A.352:
 - a) A sufficient bond to the Owner for the installation and the faithful performance of all the measures included in the contract.
 - b) The Owner an annual reconciliation statement disclosing any shortfalls or surplus between guaranteed energy and operational savings.
9. The use of capital cost avoidance shall be subject to the following restrictions, in accordance with KRS 45A.352:
 - a) The amount expended shall not exceed fifty percent (50%) of the project cost; and
 - b) Capital cost avoidance shall be restricted to payment for permanent equipment replacement, in accordance with KRS 45A.352.
10. The commissioner of education shall review, and approve or disapprove projects relating to energy conservation measures under guaranteed energy savings contract on the basis of the following, in accordance with KRS 45A.352:
 1. The project design, availability of funds, appropriate use of funds, compliance with the district's approved facility plan, the funding capability of the school district, and financing mechanism and proper financing documentation.

B. Fee:

Fee and schedule for this GESC project shall be negotiated at the completion of the selection process in accordance with KRS 45A.352 and KRS 162.070

C. Form of Agreement:

The form of agreement to be used shall be the current (AIA) document(s) required by 702 KAR 4:160.

D. Conditions:

1. The selected ESCOs shall furnish all utilities required for the ESCO's on-site office and/or operations for the duration of the contract.
2. The selected ESCO shall furnish a Payment and Performance Bond, from a bonding institution listed in the current edition of the Federal Register, in an amount equal to 100% of the proposal price as surety for the faithful performance of this

contract. Bonds shall be kept in force for the duration of the contract; and, executed by a resident agent of the Commonwealth of Kentucky; and, be in compliance with Kentucky Revised Statutes.

3. Existence of insurance required hereunder shall be established by the furnishing of a Certificate of Insurance issued by insurers duly licensed within the Commonwealth of Kentucky. Insurance shall be in force on the date of execution of the Contract and continued for a period equal to the duration of the project.
4. Insurance shall include coverage as stated in the current version of 702 KAR 4:160.
5. ESCO shall maintain Professional Liability Insurance as stated in the current version of 702 KAR 4:160.
6. ESCO shall hold harmless and indemnify the Owner and other design consultants against all claims, suits, actions, costs, council fees, expenses, damages and/or judgement in decrees by reason of persons or property being damaged or injured by the ESCO or any of the ESCO employees/subcontractors in any capacity during the progress of the work, whether by negligence or otherwise.
7. All contracts for construction will be between the Owner and the successful bidding ESCO, except asbestos abatement contracts, if necessary.

E. Submission of Proposal:

The responding ESCO shall complete a RFP package which includes responses to Section 10 of this document.

Proposals shall be addressed to:
(Owner to Complete this Section)

F. Number of Copies:

The respondent shall furnish six (6) copies, minimum, or _____ () copies of the completed RFP package.

G. Late Proposal, Modification, or Withdrawal:

1. RFPs received after the designated date will not be accepted.
2. RFPs may be modified or withdrawn by written notice received prior to deadline for receipt of the RFP. A RFP also may be withdrawn in person by a respondent or his authorized representative, provided his identity is made known and he signs a receipt for the RFP, but only if the withdrawal is made prior to the deadline set for receipt of the RFP.

H. Compliance with State Laws:

Any contracts resulting from this solicitation shall be governed under the laws of the Commonwealth of Kentucky.

3. **PROJECT DESCRIPTION**
(Owner to Complete this Section)

_____ school district consists of **(list facilities in district)**. The current student enrollment for the 20____/20____ school year is _____ students. **Identify existing Energy Star Schools.**

For the fiscal year 20____/20____ facilities in the district used approximately _____ million kilowatt-hours of electricity, _____ cubic feet of natural gas, and _____ thousand gallons of water. The total cost for these utilities were over \$_____ for the fiscal year with approximately \$_____ for electricity, \$_____ for Natural Gas, and \$_____ for water and sewer.

Facilities:
(Additional Information Provided by the Owner)

Project Overview – Goals or Objectives:
(Additional Information Provided by the Owner)

4. **TENTATIVE PROJECT SCHEDULE**

(Owner to Complete this Section)

The following process will be used to select the preferred energy services provider.

Issuance of RFP	[Insert date]
Due Date of RFP	[Typically 6 weeks after issuance]
Optional Oral Interviews and Selection of Provider	[2-4 weeks after due date]
Notification of Selection to Provider	[1-2 weeks after presentations]
Letter of Intent	[1-2 weeks after selection]
Final Scope Development	[Typically 60 to 90 days]

(Additional Information Provided by the Owner)

5. GOALS FOR ENERGY SAVINGS COMPANY

- A. To participate as a responsible, cooperative and contributing member of the design and construction team.
- B. To manage and complete the Project within the defined time schedule, approved budget and the quality guidelines.
- C. To represent the best interests of the Owner in the performance of services toward the expeditious and efficient completion of the project.
- D. To achieve the following objectives:
 - 1. Reduce operating costs
 - 2. Improve classroom environmental conditions
 - 3. Improve maintenance and operation of the facilities
 - 4. Reduce carbon footprint and other negative environmental impacts

6. GUARANTEED ENERGY SAVINGS CONTRACT SERVICES DEFINITIONS

- A. "Energy Service Company (ESCO)" is a provider of energy conservation measures and guaranteed energy and operational savings through a guaranteed energy savings contract.
- B. "Guaranteed Energy Savings Contract (GES)" means a contract for the evaluation and recommendation of energy, water, and wastewater conservation measures and for implementation of one (1) or more of those measures. The contract shall provide that all payments, except obligations on termination of the contract before its expiration, are to be made over time and the savings are guaranteed to the extent necessary to make payments for the cost of the design, installation, and maintenance of energy, water, and wastewater conservation measures.
- C. "Qualified provider" means a person or business experienced in the design, implementation, and installation of energy, water, and wastewater conservation measures and is determined to be qualified by the local public agency. The qualified provider shall be responsible for and shall provide the local public agency with the following information regarding guaranteed energy, water, and wastewater savings contracts:
 - (a) Project design and specifications;
 - (b) Construction management;
 - (c) Construction;
 - (d) Commissioning;
 - (e) On-going services as required;
 - (f) Measurement and verification of savings for guaranteed energy, water, and wastewater savings contracts; and
 - (g) Annual reconciliation statements as provided in KRS 45A.352 (8).

7. ESCO QUALIFICATIONS

- A. Knowledgeable of current applicable statutes, regulations and codes related to educational building projects in Kentucky.
- B. Knowledgeable of current Kentucky Department of Education (KDE) construction management contract requirements.

- C. Ability to provide Performance and Payment Bonds for 100% of the contract amount from a bonding company licensed in Kentucky.
- D. Ability to provide required insurance(s).
- E. Ability to provide GESC project through demonstration of past projects.
- F. Ability to provide expertise in the services of cost of GESC projects including design, construction, commissioning, measurement and verification, annual reconciliation statements and on-going services.
- G. Ability to prepare and submit for approval, to KDE, all required documents in proper form and in a timely manner.
- H. Ability to guarantee energy savings as required by KRS 45A.352.
- I. Willingness to sign a non-collusion disclosure affidavit as presented by KDE.

8. SELECTION PROCESS

The responding ESCOs shall provide the following services prior to the execution of the AIA Standard Form of Agreement between Owner and ESCO with KDE Amendments.

- A. **Site Visits** - The Owner has designated two days of mandatory walk through site visits, scheduled for [insert dates of site visits]. All responding companies will be able to conduct a supervised walk-through inspection tour of the buildings described in this document. All ESCOs are encouraged to carefully review the facility profile information provided prior to site visits and to visit the facility in order to enhance their understanding of existing building conditions and opportunities. If needed, additional walk-throughs will be provided at the district's discretion.
- B. **Proposal Review and Selection of Finalists** - The Owner's selection committee shall review and evaluate the written responses to this RFP. The Owner reserves the right to reject any or all responses and to waive informalities and minor irregularities in responses received and to accept any response if deemed in the best interest of the Owner. The Owner may select up to three (3) ESCOs for further competition (interviews, oral presentations).
- C. **ESCO Interviews and Oral Presentations** – If necessary each of the requested ESCOs may be asked to participate in a detailed oral interview to answer questions from the selection committee and more fully discuss how its approach to this project satisfies the evaluation criteria set for this RFP. All persons with major responsibility for the project's technical design, management and contract negotiation are encouraged to be present for the interview. Oral presentations and interviews may be recorded. The selection committee will select the highest evaluated ESCO such that scope development will proceed.
- D. **Selection and Technical Scope Development** – The Owner will select the ESCO that best fits its needs; shortly after, the Owner will issue a Letter of Intent. The Owner will work with selected ESCO to develop a preliminary scope of ECMs to be included in the project. Selected ECMs will be investigated and developed prior to final contract.

- E. **Final Scope Development** – The selected ESCO will develop a final scope for the GESC project and detailed pricing along with a final contract for the Owner's approval.

9. GESC SERVICES REQUIRED

The selected ESCO shall provide GESC services as stated in the current AIA Standard Form of Agreement with KDE Amendment , in accordance with 45A.352, and the following:

- A. List of Final Energy Conservation Measures (ECM's);
- B. Recommended Measurement and Verification (M&V) Plan for measures with savings guarantees as required by KRS 45A.352;
- C. Final cost of the GESC project including design, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going services;
- D. Final amount of calculated guaranteed savings from the ECMs;
- E. Summary of proposed method and costs of financing.
- F. Prepare Design Development Plans for Capital Cost Avoidance ECM's
- G. Final Construction Drawings and Specifications in conformance with the list of ECMs.
- H. Provide the estimated costs of annual reconciliation statements and any required on-going services.
- I. Provide information on your company's approach to training district personnel on new systems and equipment.
- J. Provide detailed description of the recommended Measurement and Verification (M&V) plan for measures with savings guarantees as required by KY 45A.352 (2)(a.).
- K. Indicate any equipment maintenance service contracts and their costs which will be required by your firm as a condition of the energy services guarantee.
- L. Provide information on your firm's ability to provide other innovative energy services.

10. RESPONSE TO REQUEST FOR PROPOSALS

INSTRUCTIONS

All items below should be included in the response in the same order and in similar format. Include the Certification and signature at the end of this section.

Note: *If more than one firm is involved in a joint-venture, a complete response from each firm is required.*

A. Firm Identification: Please provide the following information about your firm:

Name
Address
City/State/Zip
Telephone Number
Fax Number
Principal-In-Charge Name
Principal-In-Charge Email Address
Designated Contact Name
Designated Contact Email Address
Type of Organization (Sole Proprietorship, Professional Corporation/Association, Corporation, Partnership, Joint Venture, Other* - If Joint Venture or Other provide details)*
Audited Annual Report
Summary of Financial Strength
Number of years firm has been in business
Location of any branch offices

B. Personnel:

1. Provide firm organization chart. Include names of all officers.
2. List firm's total number of personnel by skill group (i.e., cost control, scheduling, superintendents, etc.)

C. Sub-Consultants:

If outside consultants are utilized to perform any of your GESC services, list firms and the services they will provide on your behalf. See Firm Identification in Section A above.

D. Overview

State when the firm was founded, how it is organized, and its operating philosophy.

E. GESC Services:

Provide the following information on completed projects of a comparable nature over the past three (3) years. (Maximum of ten projects).

Name of Project
Location by city and state
Brief description of the project
GSF of project
GESC cost and year project was completed
Final Guaranteed Energy Savings Amount: \$ and kBtu's/sf/yr
Project Manager and Superintendent Name
Name of owner's representative with address and telephone number
Names and addresses of architects, consultants, and general trades contractor for project

F. Ability to Complete Projects Within Budget and on Time:

Choose not more than five projects listed above, that are most similar to this project and provide the following additional information:

Owner's Initial Construction Budget
ESCO's Final GESC Project Cost
Total Number of Facilities and Total GSF

ESCOs scheduled months for construction activities
Actual months for construction activities
Other demonstrated ability to procure GESC in accordance with 45A.352

G. Project Organization:

1. Please provide the following information regarding your proposed project organization for this project:
 - a. Organization chart, identifying all project staff members by project titles, and showing how each interacts with other staff members assigned to this project. Specifically include principal-in-charge, and project manager.
 - b. Explain how you plan to provide back-up staffing to insure continuity if key staff members leave the project.
 - c. Provide an overview of the project team roles and responsibilities. Include concise resumes of key company employees who will work on this project.
 - d. Specifically provide information on the licensing and the state of the license of any engineers or architects employed by your firm who will be working on the project.
 - e. Provide information on construction management capabilities and whether these services are performed by employees or subcontractors and/or consultants.
 - f. Provide a listing of service and installation capabilities of your firm and whether these services are performed by employees of the firm or by subcontractors and/or consultants.
 - g. Provide a listing of all subcontracted service providers who may work on this project and any legal contractual relationship to the respondent.

H. Project Services:

1. Describe your in-house capabilities in the following areas:

Cost Estimating
Value Engineering
Life Cycle Cost Analysis
Energy Conservation and Energy Budgeting
Building Systems
Specification Writing / Coordination Experience
2. Discuss your plans for fulfilling the requirements for GESC services of this project.
3. Describe your proposed method of scheduling and phasing for this project.

4. Describe the estimating and cost control methods [guaranteed cost savings] you propose to utilize on this project.
5. In this type of project, what would your recommendation be for field supervision during construction (i.e., number of persons, qualifications and percent of time on the job, etc.)?
6. Discuss your methods of value engineering and life cycle costing for this project.
7. List the proposed material manufacturer(s) and supplier(s) to be used for this project.
8. List the proposed Contractors to be used for this project.
9. Describe your team's method of coordinating the efforts of the various trade contractors. How will you maximize the use of local area contractors/suppliers?
10. Cite three examples of how, as ESCO, you have initiated corrective action when deviations from standards of quality, time or budget occurred.
11. Address the company's ability to fulfill the financial guarantee terms and duration of a Guaranteed Energy Services Contract. Include a summary of the extent and stability of business operations related to energy up to the last four (4) projects in Kentucky and/or surrounding geographic area.
12. Provide information on the firm's affiliation with national Energy Service organizations or other appropriate organizations (NAESCO, ESC, US DOE, etc).
13. Provide information on the firm's primary business and what percentage of the firm's revenue is from energy savings performance contracting.
14. If the firm is a factory-owned branch, specify the legal business classification, state of incorporation and where legal contracts will be executed.
15. Address the firm's representation or affiliation with the manufacturing or installation of any line of energy-related equipment which may be utilized in this project. Specify what that equipment is and how it may impact the project.
16. Address the firm's affiliation, joint venture or contractual obligation to any peer partner which may be used on this project.
17. Describe the company's structure to support the successful implementation of this project.
18. List a five year summary of contract values for energy related services, including an estimate of total value for all energy related contracts that are currently in force.
19. List of Proposed Energy Conservation Measures (ECM's).
20. Recommended Measurement and Verification (M&V) Plan for measures with savings guarantees as required by KRS 45A.352.

21. Initial estimated cost of the GESC project including design, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going services.
22. Estimate of energy and operational cost savings from the proposed ECM's.
23. Summary of proposed method and costs of financing with cash flow.

I. Summary Statement:

Provide a summary statement, of not more than three pages, which summarizes the respondent's proposal, approach and other pertinent information.

J. Experience with the Kentucky Department of Education

Describe your experience working with the Kentucky Department of Education staff and how you view their role in the design and construction process.

K. School Funding

Describe your understanding of the funding sources that drive decisions made on Kentucky school construction projects.

L. The following documents will be utilized to execute a contract.

- A. Standard Form of Agreement Between Owner and ESCO, with KDE Amendment.
- B. Certificates of Insurance required by KRS 45A.352
- C. KDE Non-Collusion Affidavit

M. Certification of Information Provided:

The information provided herein is accurate to the best of my knowledge and can be accepted by the recipient as a true representation of:

Firm Name: _____

Signed: _____

Principal-in-Charge: _____

Date: _____