

Request for Proposals

For Energy Performance Contracting Services

For

Palmerton Area School District

Proposals Due

January 6, 2020 by 1:00 p.m.

Table of Contents

REQUEST FOR PROPOSALS 3

ATTACHMENT A: GENERAL RFP TERMS AND CONDITIONS 4

 OVERVIEW 4

 GENERAL OWNER INFORMATION 4

 SCOPE OF SERVICES..... 4

 RFP PROCESS..... 4

ATTACHMENT B: PROPOSED RFP SCHEDULE 7

ATTACHMENT C: ESCO RESPONSE 8

ATTACHMENT D: EVALUATION CRITERIA..... 13

REQUEST FOR PROPOSALS

Energy Performance Contracting Services for Palmerton Area School District

Palmerton Area School District (“the District”) is requesting qualifications pertaining to an energy savings and facilities improvement program from interested qualified energy services companies (ESCOs). The proposal is designed to identify a qualified company to implement capital improvements to reduce energy and operational costs in facilities and infrastructure such that annual cost savings are applied to annual payments for improvements. The project scope shall conform to the Act 57 of 1998, 61 Pa. C.S. §3751-3757 (“ACT 57”) as amended under Act 77 of 2004, Act 39 of 2010 and Act 163 of 2016.

Upon complete evaluation of the submitted qualifications, the District will select what it determines to be the most qualified provider. This request in no manner obligates the District to the eventual purchase of any products or services described, implied, or which may be proposed, until confirmed by written and signed agreement, and may be terminated by the District without penalty or obligation at any time prior to the signing of an Agreement or Purchase Order. The District reserves the right to reject any or all proposals.

Three (3) copies of the proposal, as well as an electronic copy, are required and shall be contained in a sealed package and clearly marked with the firm name, labeled “Energy Performance Contracting Services” and addressed to:

*Ryan Kish
Business Manager
Palmerton Area School District
680 Fourth Street
Palmerton, PA 18071*

Proposals must be received no later than January 6, 2020 by 1:00 p.m. The District is not liable for any cost incurred by any person or firm responding to the RFP.

Questions prior to the submittal of the RFP are to be directed to:

*Ryan Kish
Business Manager
Palmerton Area School District
680 Fourth Street
Palmerton, PA 18071
Rkish@palmerton.org*

Ryan Kish is the only contact for this project. Contacting other administrators, School Board Members, or staff members as part of this process is not acceptable and is grounds for potential elimination from consideration. All questions must be submitted in writing. Email is the preferred method for communication. All questions and answers will be distributed in writing to all participating ESCOs.

ATTACHMENT A: GENERAL RFP TERMS AND CONDITIONS

OVERVIEW

The District seeks to maximize energy cost savings and related costs in order to pay for facility and infrastructure upgrades and services as authorized by Act 57 of 1998, 61 Pa. C.S. §3751-3757 ("ACT 57") as amended under Act 77 of 2004, Act 39 of 2010 and Act 163 of 2016.

Services and capital improvements will be financed through an energy performance contract which:

- Incurs no initial capital costs (with the option for the District to provide additional capital if desired)
- Achieves significant long-term cost savings
- Achieves a guarantee for cost savings
- Maintains consistent and reasonable levels of occupant comfort
- Maintains consistent levels of building functionality
- Captures additional benefits that may directly result from energy-related services and capital improvements, such as environmental protection, hazardous materials disposal or recycling, improved occupant comfort, reduced maintenance needs, improved indoor air quality and additional building and infrastructure improvements.
- The final project will be evaluated based on a 20 year proforma and guarantee.

The vendor selected will be expected to adhere to the District purchasing policies and procedures. In addition, the vendor and all subcontractors will comply with Pennsylvania's Prevailing Wage Law.

GENERAL OWNER INFORMATION

The District consists of 5 major buildings: Senior High School, Junior High School, Parkside Education Center, S.S. Palmer Elementary School, and Towamensing Elementary School

SCOPE OF SERVICES

ESCO Services

ESCO must have the technical capability to address a broad range of systems including but not limited to:

- Mechanical Systems – Heating, ventilating and air conditioning (HVAC) systems, energy management and control systems, domestic hot water systems, distribution systems, etc.
- Central Plants – Distribution systems, etc.
- Lighting Systems – Indoor and outdoor lighting systems, lighting controls, day-lighting strategies, etc.
- Building Envelope Systems – Windows, insulation, weatherization, etc.

RFP PROCESS

The RFP and contracting process has three phases:

- RFP Phase: Through this RFP, an ESCO will be identified based on written proposals; possible interviews with top ESCO candidates may be conducted along with a final reference check.
- Construction/Implementation/Financing Phase: An Energy Performance Contract will be developed to implement the negotiated and recommended projects, and signed by the District and the selected ESCO.
- Commissioning/Guarantee/Monitoring Phase: Upon completion of construction, the ESCO will offer a variety of services to ensure savings are met, such as a savings guarantee, staff training, and follow-up monitoring.

PHASE ONE: RFP

Review of Written Qualifications

Qualifications must be submitted as described in this RFP. An evaluation team will review the qualifications and select one ESCO that the District, in its sole discretion, determines best meets the needs of the District. The District reserves the right to reject any or all proposals.

Final Selection

Final reference checks will be conducted with the apparent awardee (top-ranked ESCO) prior to making the final selection. The selected ESCO will be notified.

PHASE TWO: *Construction/Implementation/Financing Energy Performance Contract*

Following successful completion of the technical audit, an Energy Performance Contract will be negotiated to implement the projects, and must be signed by the District and the ESCO.

Sample Contract Documents

The successful ESCO shall be required to provide payment and performance bonds in the amount of 100 percent of the total contract amount.

Equipment Compatibility or Standardization

All equipment installed that is comparable to similar equipment at the facilities shall offer compatibility with existing systems, and/or be of the same manufacturer for standardization of equipment District-wide, unless excepted by the District.

PHASE THREE: *Commissioning/Guarantee/Monitoring Savings Guarantee*

The ESCO will guarantee the savings associated with the performance contract.

Staff Training

Training of building occupants and maintenance workers in energy conservation awareness is required.

Follow-Up Monitoring

The ESCO will provide annual energy audits that are based on the approved measurement and verification plan.

Excess Savings

One hundred percent (100%) of all energy and operational savings shall be retained by the District over the life of the contract.

ATTACHMENT B: PROPOSED RFP SCHEDULE

The following schedule is the proposed schedule. This schedule is at the discretion of the District and may change during the project.

<u>Activity</u>	<u>Date</u>
RFP Release	December 10, 2019
Deadline to Submit RFP Proposal	January 6, 2020
School Board Approval	January 7, 2020

ATTACHMENT C: ESCO RESPONSE

GENERAL INFORMATION

Due Date

Qualifications must be received at the below address on or before **January 6, 2020**, by **1:00 p.m., EST**. Late qualifications will not be accepted.

Instructions for Submitting Qualifications

- Submittals must be clearly marked with the firm name and labeled “Energy Performance Contracting Services”
- Qualifications document is limited to 30 pages
- Quantity: Three (3) hard copies, one (1) digital copy
- Proposal must be submitted in a sealed package

Delivery

*Ryan Kish
Business Manager
Palmerton Area School District
680 Fourth Street
Palmerton, PA 18071
Attention: Energy Performance Contracting Services*

ESCO Profile and Approach to Project

- *Answer all questions or state “N/A” if not applicable*
- *Please number and re-state each subheading or question, followed by your response. This improves clarity and makes it much easier to evaluate your proposal.*
- *Number all pages.*

1. Qualifications and Capability

a. General Firm Information

1. Type of Firm (Corporation, partnership, sole proprietorship, joint venture)
2. Year Firm Established – Number of years has your been in business under its present business name
3. Other Firm Names – Indicate all other names by which your organization has been known and the length of time known by each name.
4. Parent Company – If applicable, state name, address, former name it applicable, tax identification number
5. Participating Division or Branch Offices – State division or branch offices that will participate in the development of the proposal, in its evaluation

process, and/or in the conduct of any services provided (office name, and address).

b. Experience of Firm

1. Years in Energy Business – State the number of years your firm has been involved in the energy-efficiency related business. State the number of years your firm has offered performance contracting services.
2. Number and Value of Contracts – Indicate the number of energy savings performance contract at public sector facilities in Pennsylvania actually implemented by your firm, each year for the past 5 years. Indicate the associated dollar value.
3. Full-Time Personnel – Indicate the number of full-time personnel employed by your firm.
4. NAESCO Accreditation and other Pre-Qualifiers – Is your firm accredited by NAESCO (National Association of Energy Service Companies)?

c. Scope of Services

1. Types of Services – Summarize the scope of services (auditing, design, construction, monitoring, operations, maintenance, training, financing, etc.) available from your firm.
2. Expertise in Systems – Describe your ability to offer services to upgrade HVAC, controls, lighting, renewable, and other systems.
3. Provision of Insurance – Generally describe your capability to secure insurance policies.

d. Financial Qualifications

1. Financial Statement – Attach your firm's most recent financial statement or annual report for each of the last three years. (Annual Report is exempt from the 30-page limit)

2. Experience and Expertise

a. Project History

Briefly describe the number of energy savings performance contracts at public sector facilities in Pennsylvania actually implemented by your firm within the last five (5) years.

Include the following information on each project (no preferred format):

- Project Identification – Name of the project owner, type of project (K-12 Palmerton Area School District, University, Community College, etc.), location (city, state)
- Project Size – Total square footage and total contract amount.
- List of Improvements – Type of retrofits and operational improvements related to energy, water and other cost savings.
- Savings – Summary of savings realized
- Comments – Comment on any special features, services, and/or conditions, etc.

- References – Names and contact information of owner representative who can serve as references

b. Personnel Information

1. Qualifications and Experience – Describe the number and quality of staff you currently have to conduct technical analysis, engineering design, construction management, construction, training and post-contract monitoring. If needed, refer to resumes in the “Site Specific Project Information” section.

3. Technical Approach

a. Design/Construction

1. Engineering Design – Describe your firm’s approach to the technical design of this project
2. Standards of Comfort – Describe standards of comfort and functionality that are generally used for light levels, space temperature, ventilation rates, etc. in the intended facilities.

b. Engineering Analysis

1. Baseline Calculation Methodology – Describe in detail the methodology your firm normally uses to compute baseline of energy and water use as well as performance.
2. Adjustment to Baseline Methodology – Describe the method(s) used to adjust the energy, water and O&M baseline due to such factors as weather and facility use changes. Describe factors that would necessitate adjustment. Address issues regarding buildings projected to have substantial changes in use.
3. Savings Calculations – List all procedures, formulas and methodologies including special metering or equipment, which your firm will use to calculate energy, water and O&M savings. Include assumptions made in the calculations.
4. Dollar Savings Calculations – Describe the procedure to assign dollar values to the savings. Include energy savings as well as maintenance, material and operational savings.
5. Cost Savings Guarantee Calculations – Describe your firm’s procedures and schedule for measuring financial performance of projects. Describe how the guarantee provisions work in the event that project results vary from projections. Also describe how excess savings can be documented.
6. Billing and Invoices – Describe your standard billing procedures and attach a sample invoice.

4. Performance Contracting Approach

a. Approach

1. Differentiation of Your Firm – Describe particular characteristics of how your firm approaches performance contracting.
2. Management – Briefly describe your firm’s approach to project management.

b. Other Services

1. Monitoring and Verification – Describe the methodology proposed for ongoing monitoring and savings verification of each recommended project’s performance, including the frequency of such efforts and preferred industry benchmarks.
2. Project Financing – Describe your firm’s preferred approach to providing or arranging financing for the proposed project. Describe the mechanics of the financing arrangement, including equipment ownership, responsibilities/liabilities of each party, security interest required and any special terms and conditions that may be associated with the financing of this project.

5. Site Specific Approach

a. Project Scope

1. Types of Services – Summarize the firm’s methodology of scope of services (auditing, design, construction, monitoring, operations, maintenance, training, financing, etc.) offered for this project.
2. Benefits – Describe the specific benefits your firm is offering as part of this proposal.

b. Project Management

1. Management Approach – Briefly describe your firm’s approach to managing this project.
2. Qualifications and Experience of Staff Assigned to this Project – Identify the individual(s) who will have primary responsibility for each task and phase of the project. List name, title, intended role, and responsibilities for the duration of the contract, educational background, specific qualifications related to role and responsibilities, past relevant experience, number of years of relevant experience, supervisory responsibilities if relevant, list of projects individual was associated with during the last five (5) years including type of project, project cost, résumé and home office location. Tasks and phases to address include technical analysis, engineering design, construction management, construction, training and post-contract monitoring. Indicate the percent of time each person is available to work on this project. Include only those individuals who have direct responsibilities and roles in this project.

c. Technical and Construction Issues

1. Construction Management – Describe how your firm will work with current building management and maintenance personnel in order to coordinate construction and avoid conflicts with the building’s operation and use. Describe your flexibility and/or any limitations regarding possible District activities such as: management of additional energy and water projects,

monitoring of installation and performance of ESCO projects, integration of other identified capital needs with ESCO projects which may or may not contain energy and water saving opportunities.

2. Project Schedule – Propose a typical project schedule.

6. Cost and Pricing

a. Costs

Describe other costs such as maintenance and monitoring agreements and describe how they may be applied. Also, point out if these are annual costs and if they are required each year of the contract.

b. Best Value

Describe how your approach to performance contracting delivers best value for the investment. This is an opportunity to point out how your company may be able to deliver a more cost-effective overall project due to corporate structure, relationships with vendors, depth of experience and expertise, local relationships and experience, experience in similar types of facilities, knowledge of particular retrofits, etc.

ATTACHMENT D: EVALUATION CRITERIA

The criteria listed below, and any others identified in this RFP are deemed appropriate by the District, will be used to evaluate qualifications and possible subsequent interviews.

These criteria will be applied and interpreted solely at the discretion of the District. Qualifications should include all necessary information that is pertinent to these evaluation criteria. Additional information required for proper assessment of proposals may be requested from the ESCO at the discretion of the District.

The criteria are not ranked in order of importance.

1. Qualifications and Capability

- a. General Firm Information
- b. Experience of Firm
 - i. General experience in energy-related and performance contracting services.
- c. Scope of Services
 - i. Comprehensiveness of management, maintenance and monitoring service offered.
- d. Financial Qualifications
 - i. Financial soundness and stability of the ESCO. Completeness and strength (financial viability) of most recent annual financial statements.

2. Experience and Expertise

- a. Project History
 - i. Quality of past projects completed with respect to scope and documented savings. The Qualified Provider must have completed Energy Savings Performance Contracts at public sector facilities in Pennsylvania to be considered.
- b. Personnel Information
 - i. Qualifications and relevant experience of the staff in engineering, project management and other areas of importance.

3. Technical Approach

- a. Design/Construction
 - i. Overall engineering design approach and standards of comfort used.
- b. Engineering Analysis
 - i. Methods used for baseline calculations, adjustments to baseline calculations, savings calculations, dollar savings calculations, cost savings guarantee calculations, and billing and invoices.

4. Performance Contracting Approach

- a. Approach
 - i. Differentiate your firm's approach to performance contracting and describe your firm's approach to project management.
- b. Other Services

- i. Overall monitoring and verification methods and preferred approach to financing.

5. Site-Specific Approach

- a. Project Scope
 - i. Types of services offered; opportunities available (energy, water, and operation and maintenance) including renewable technologies; and detail specific benefits your firm offers.
- b. Project Management
 - i. Management approach and relevant qualifications of key personnel assigned to the project involved in technical auditing and design, project management and construction, with respect to the size, scope and building type of this project.
- c. Technical and Construction Issues
 - i. Construction management, scheduling, operation and maintenance approach, approach to compatibility/openness/standardization of equipment, and standards of comfort.

6. Cost and Pricing

- a. Costs
 - i. Describe other costs that may be applied.
- b. Best Value
 - i. Describe how your firm's approach to performance contracting delivers the best value for the investment.

The District reserves the right to reject any or all of the proposals in whole or in part and to accept the proposal, in whole or in part, that it, in its sole discretion, determines best serves the interest of the District.