

MARCIA A. LECLERC
MAYOR

TOWN OF EAST HARTFORD

740 Main Street
East Hartford, Connecticut 06108

(860) 291-7270

FAX (860) 282-4857

PURCHASING DEPARTMENT

TOWN OF EAST HARTFORD, CT INVITATION TO BID

BID # 14-19

RE: R.F.P. – ENERGY PERFORMANCE CONTRACTING SERVICES

SEALED PROPOSALS WILL BE RECEIVED AT THE OFFICE OF THE PURCHASING AGENT, 740 MAIN ST., EAST HARTFORD, CT 06108 UNTIL THURSDAY, MARCH 27, 2014 @ 11 A.M. AT WHICH TIME THEY WILL BE PUBLICLY OPENED AND RECORDED.

INFORMATION AND SPECIFICATIONS ARE AVAILABLE AT THE ABOVE OFFICE AND ON THE TOWN'S WEBSITE WWW.EASTHARTFORDCT.GOV.

THERE WILL BE A MANDATORY PRE-PROPOSAL MEETING AT THE EAST HARTFORD TOWN HALL, WELLING CONFERENCE ROOM, 2ND FLOOR, 740 MAIN STREET, EAST HARTFORD, CT 06108 ON FRIDAY, FEBRUARY 28, 2014 @ 10 A.M.

THE RIGHT IS RESERVED TO REJECT ANY AND ALL BIDS WHEN SUCH ACTION IS DEEMED TO BE IN THE INTEREST OF THE TOWN OF EAST HARTFORD, CT.

MICHELLE ENMAN
PURCHASING AGENT
(860) 291-7271

RFP for Energy Performance Contracting Services
Section 2: Specifications

TOWN OF EAST HARTFORD, CONNECTICUT

REQUEST FOR PROPOSALS FOR
ENERGY PERFORMANCE CONTRACTING SERVICES

Proposal Number: 14-19
Proposal Opening Date: Thursday, March 27, 2014
Proposal Opening Time: 11:00 AM
Proposal Opening Place: East Hartford Town Hall, Purchasing Department

The Town of East Hartford, (hereinafter referred to as the “Town”) seeks proposals from Energy Services Companies (Contractor) to conduct technical energy and water use audits of town facilities and implement an Energy Performance Contract. The Contractor will identify and implement building improvements to reduce energy and related costs in town facilities, so that the annual cost savings in excess of payments to the Contractor resulting from the improvements are applied to the annual payments of the cost of the improvements.

One (1) original and four (4) copies of sealed proposals must be received by the date and time, and at the place, noted above. Also include one electronic version of the proposal in one single PDF document. The sample audit can also be supplied in PDF format. The Town of East Hartford (the “Town”) will not accept submissions by e-mail or fax. The Town also will reject proposals received after the date and time noted above.

The documents comprising this Request for Proposals, as described below, may be obtained from the Town’s website, www.EastHartfordct.gov, found under “Departments”, Purchasing – Bid Openings.

Proposals must be held firm and cannot be withdrawn for sixty (60) calendar days after the opening date.

The Town reserves the rights to: amend or terminate this Request for Proposals; accept all or any part of a proposal; reject all proposals; waive any informalities or non-material deficiencies in a proposal; and award the proposal to the proposer that, in its judgment, will be in the Town’s best interests.

This Request for Proposals “RFP” includes:

- Section 1: Standard Instructions to Proposers
 - Section 2: Specifications
 - Section 3: Insurance Requirements
 - Section 4: Proposal Form
 - Section 5: Proposer’s Legal Status Disclosure
 - Section 6: Proposer’s Certification of Affirmative Action Program
 - Section 7: Proposer’s Non Collusion Affidavit
 - Section 8: Addenda, if any
 - Section 9: The Contracts in the form attached
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- Attachment A: Special Contract Terms and Conditions
 - Attachment B: Proposed Project Schedule
 - Attachment C: Contractor Response
 - Attachment D: Evaluation Criteria
 - Attachment E: Street Lighting Inventory
 - Attachment F: Model Technical Energy Audit and Proposal Contract

RFP for Energy Performance Contracting Services
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TOWN OF EAST HARTFORD, CONNECTICUT
STANDARD INSTRUCTIONS TO PROPOSERS

INTRODUCTION

The Town of East Hartford (hereinafter referred to as the “Town”) seeks proposals from Energy Services Companies (Contractor) to conduct technical energy and water use audits of town facilities and implement an Energy Performance Contract. The Contractor will identify and implement building improvements to reduce energy and related costs in town facilities, so that the annual cost savings in excess of payments to the Contractor resulting from the improvements are applied to the annual payments of the cost of the improvements. This RFP is not a contract offer, and no contract will exist unless and until a written contract is signed by the Town and the successful proposer.

Interested parties should submit a proposal in accordance with the requirements and directions contained in this RFP. Proposers are prohibited from contacting any Town employee, officer or official concerning this RFP, except as set forth in Section 6, below. A proposer’s failure to comply with this requirement may result in disqualification.

If there are any conflicts between the provisions of these Standard Instructions to Proposers and any other documents comprising the RFP, these Standard Instructions to Proposers shall prevail.

RIGHT TO AMEND OR TERMINATE THE RFP OR CONTRACT

The Town may, before or after proposal opening and in its sole discretion, clarify, modify, amend or terminate this RFP if the Town determines it is in the Town’s best interest. Any such action shall be effected by posting a notice on the Town’s website, www.EastHartfordct.gov, found under “Departments”, Purchasing – Bid Openings.

If this RFP provides for a multi-year agreement, the Town also reserves the right to terminate the Contract at the end of the last fiscal year for which funds have been appropriated, and the Town shall have no obligation or liability to the successful proposer for any unfunded year or years.

KEY DATES

Pre-Proposal Conference: A mandatory pre-proposal meeting will be held prior to the proposal due date. The purpose of the Pre-proposal Conference will be to review the requirements of this RFP and answer questions from ESCOs in attendance. The pre-proposal conference is **mandatory** for all Contractors who plan to submit a proposal. No follow-up tours, additional access to buildings, or alternative dates for tours will be allowed unless offered to all respondents.

DATE: Friday, February 28, 2014
TIME: 10 a.m.
LOCATION: Town Hall – Welling Conference Room, 2nd Floor
740 Main Street
East Hartford, CT 06108

Proposal Opening: Thursday, March 27, 2014 @ 11 a.m.

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Preliminary Notice of Award: TBD

Contract Execution: TBD

OBTAINING THE RFP

All documents that are a part of this RFP may be obtained as instructed above.

PROPOSAL SUBMISSION INSTRUCTIONS

Proposals must be received in the Town office identified above prior to the date and time the first proposal is scheduled to be opened publicly. Postmarks prior to the opening date and time do **NOT** satisfy this condition. The Town will not accept submissions by electronic mail or fax. Proposers are solely responsible for ensuring timely delivery. The Town will **NOT** accept late proposals, corrections and/or modifications.

One (1) original and four (4) copies, plus one (1) electronic version, of all proposal documents must be submitted in sealed, opaque envelopes clearly labeled with the proposer's name, the proposer's address, the words "**PROPOSAL DOCUMENTS**," and the **Proposal Title, Proposal Number and Proposal Opening Date**, to prevent opening prior to the opening date set forth above. The Town may decline to accept proposals submitted in unmarked envelopes that the Town opens in its normal course of business. The Town may, but shall not be required to, return such proposal documents and inform the proposer that the proposal documents may be resubmitted in a sealed envelope properly marked as described above.

Proposal prices must be submitted on the prescribed Proposal Form, and all blank spaces for proposal prices must be completed in ink or be typewritten in both words and figures. The person signing the Proposal Form must initial any errors, alterations or corrections on that form. Ditto marks or words such as "SAME" shall not be used in the Proposal Form.

Proposals may be withdrawn personally or in writing provided that the Town receives the withdrawal prior to the time and date fixed for the opening. Proposals are considered valid, and may not be withdrawn, cancelled or modified, for sixty (60) days after the opening date, to give the Town sufficient time to review the proposals, investigate the proposers' qualifications, and execute a binding agreement with the successful proposer.

An authorized person representing the legal entity of the proposer must sign the proposal.

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QUESTIONS AND AMENDMENTS

Questions concerning the proposal process and procedures are to be submitted **in writing** (including e-mail and fax) and directed **only to:**

Name: Michelle A. Enman

Department: Purchasing Agent

E-mail: menman@easthartfordct.gov

Fax: (860) 289-0831

Proposers are prohibited from contacting any other Town employee, officer or official concerning this RFP. A proposer's failure to comply with this requirement may result in disqualification.

The appropriate Town representative listed above must receive any questions from proposers no later than fourteen (14) business days before the proposal opening date. That representative will confirm receipt of a proposer's questions by electronic mail. The Town will answer all written questions by issuing an addendum, which shall be a part of this RFP and the resulting Contract, containing all questions received as provided for above and decisions regarding same. At least four (4) calendar days prior to proposal opening, the Town will post a copy of the addendum on the Town's website, www.EastHartfordct.gov, under "Departments", Purchasing – Bid Openings. Each proposer is responsible for checking the website to determine if the Town has issued an addendum and, if so, to complete its proposal in accordance with the RFP as modified by the addendum.

No oral statement of the Town, including oral statements by the Town representatives listed above, shall be effective to waive, change or otherwise modify any of the provisions of this RFP, and no proposer shall rely on any alleged oral statement.

ADDITIONAL INFORMATION

The Town reserves the right, either before or after the opening of proposals, to ask any proposer to clarify its proposal or to submit additional information that the Town in its sole discretion deems desirable.

COSTS FOR PREPARING PROPOSAL

Each proposer's costs incurred in developing its proposal are its sole responsibility, and the Town shall have no liability for such costs.

OWNERSHIP OF PROPOSALS

All proposals submitted become the Town's property and will not be returned to proposers.

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FREEDOM OF INFORMATION ACT

All information submitted in a proposal or in response to a request for additional information is subject to disclosure under the Connecticut Freedom of Information Act as amended and judicially interpreted. A proposer's responses may contain financial, trade secret or other data that it claims should not be public (the "Confidential Information"). A proposer must identify specifically the pages and portions of its proposal that contain the claimed Confidential Information by visibly marking all such pages and portions. Provided that the proposer cooperates with the Town as described below, the Town shall, to the extent permitted by law, protect from unauthorized use and disclosure such Confidential Information.

If the Town receives a request for a proposer's Confidential Information, it shall immediately notify the proposer in writing of such request and provide the proposer with a copy of any written disclosure request. The proposer may provide written consent to the disclosure, or may object to the disclosure of said information by notifying the Town in writing to withhold disclosure of said information, identifying in such notice the basis for such objection, including the statutory exemption(s) from disclosure. The proposer shall be responsible for defending any complaint brought in connection with the nondisclosure, including but not only appearing before the Freedom of Information Commission, and providing witnesses and documents as appropriate.

REQUIRED DISCLOSURES

In its Proposal Form each proposer must disclose, if applicable:

Its inability or unwillingness to meet any requirement of this RFP, including but not only any of the Contract terms contained in this RFP.

If it is listed on the State of Connecticut's Debarment List;

If it is ineligible, pursuant to Conn. Gen. Stat. § 31-57b, to be awarded the Contract because of occupational safety and health law violations;

All resolved and pending arbitrations and litigation matters in which the proposer or any of its principals (regardless of their place of employment) have been involved within the last ten (10) years;

All criminal proceedings in which the proposer or any of its principals (regardless of their place of employment) has ever been the subject; and

Each instance in which it or any of its principals (regardless of their place of employment) have ever been found to have violated any state or local ethics standard or to have committed any other offense arising out of the submission of proposals or bids, or the performance of work on public works projects or contracts.

A proposer's acceptability based on these disclosures lies solely in the Town's discretion.

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LEGAL STATUS

If a proposer is a corporation, limited liability company, or other business entity that is required to register with the Connecticut Secretary of the State's Office, it must have a current registration to do business in the State of Connecticut that is on file with that office. The Town may, in its sole discretion, request acceptable evidence of any proposer's legal status.

PRESUMPTION OF PROPOSER'S FULL KNOWLEDGE

Each proposer is responsible for having read and understood each document in this RFP and any addenda issued by the Town. A proposer's failure to have reviewed all information that is part of or applicable to this RFP shall in no way relieve it from any aspect of its proposal or the obligations related thereto.

Each proposer is deemed to be familiar with and is required to comply with all federal, state and local laws, ordinances and regulations that in any manner relate to the RFP or the performance of the work described therein.

By submitting a proposal, each proposer represents that it has thoroughly examined and become familiar with the scope of work outlined in the RFP, and it is capable of performing the work to achieve the Town's objectives. If applicable, each proposer shall visit the site, examine the areas and thoroughly familiarize itself with all conditions of the property before preparing its proposal.

TAX EXEMPTIONS

The Town is exempt from the payment of federal excise taxes and Connecticut sales and use taxes. Exemption from State sales tax per Conn. Gen. Stat. Chapter 219, § 12-412(1).

DELIVERY ARRANGEMENTS

The successful proposer shall deliver the items that are the subject of the RFP, at its sole cost and expense, to the location listed in the Specifications.

AWARD CRITERIA; SELECTION; CONTRACT EXECUTION

All proposals will be publicly opened as received on the date, at the time, and at the place identified in this RFP. Proposers may be present at the opening.

The Town may correct, after proposer verification, any mistake in a proposal that is a clerical error, such as a price extension, decimal point error or FOB terms. If an error exists in an extension of prices, the unit price shall prevail. In the event of a discrepancy between the price quoted in words and in figures, the words shall control.

The Town reserves the right to accept the proposal that, all things considered, is in the Town's best interests. Although price will be an important factor, it will not be the only basis for award. Due consideration may also be given to a proposer's experience, references, service, ability to respond promptly to requests, past performance, and other criteria relevant to the Town's interests, including compliance with the procedural requirements stated in this RFP.

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The Town will not award the proposal to any business that or person who is in arrears or in default to the Town with regard to any tax, debt, contract, security or any other obligation.

The Town reserves the rights to: accept all or any part of a proposal; reject all proposals; waive any informalities or non-material deficiencies in a proposal; and award the proposal to the proposer that, in its judgment, will be in the Town's best interests. The Town also reserves the right, if applicable, to award the purchase of individual items under this RFP to any combination of separate proposals or proposers.

If the selected proposer meets all specifications, is responsive, and, if applicable, qualified, but the proposal is not acceptable to the First Selectman, the matter must be referred to the Town Council for its decision on whether to reject all proposals, to accept a different proposal, or to take such other action as may be in the Town's best interests.

The Town will select the proposal that it deems to be in the Town's best interest and issue a Preliminary Notice of Award to the successful proposer. The award is subject to further discussions with the proposer. **The making of a preliminary award to a proposer does not provide the proposer with any rights and does not impose upon the Town any obligations. The Town is free to withdraw a preliminary award at any time and for any reason. A proposer has rights, and the Town has obligations, only if and when a Contract is executed by the Town and the proposer.**

If the proposer does not execute the Contract within ten (10) business days of the Preliminary Notice of Award, unless extended by the Town, the Town may call any proposal security provided by the proposer and may enter into discussions with another proposer.

The Preliminary Notice of Award and Contract Execution dates in Section 3's Key Dates are anticipated, not certain, dates.

AFFIRMATIVE ACTION, AND EQUAL OPPORTUNITY

Each proposer must submit a completed Certification of Affirmative Action Program form included with this RFP. Proposers with fewer than ten (10) employees should indicate that fact on the Certification form and return the form with their proposal.

NONRESIDENT REAL PROPERTY CONTRACTORS

If the successful proposer is a "nonresident contractor" as defined in Conn. Gen. Stat. § 12-430(7)(A) as amended, it shall comply fully with the provisions of § 12-430(7) and, prior to execution of the Contract, shall furnish the Town with a copy of the requisite certificate of compliance set forth in § 12-430(7)(E). The successful proposer agrees to defend, indemnify, and hold harmless the Town, its employees, officers, officials, agents, volunteers and independent contractors, including any of the foregoing sued as individuals (collectively, the "Town Indemnified Parties"), from any and all taxes, interest and penalties that the State of Connecticut asserts are due with respect to the successful proposer's activities under the Contract.

The successful proposer shall also be required to pay any and all attorney's fees incurred by the Town Indemnified Parties in enforcing any of the successful proposer's obligations under this

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section, whether or not a lawsuit is commenced, which obligations shall survive the termination or expiration of the Contract.

COMPLIANCE WITH IMMIGRATION LAWS

By submitting a proposal, each proposer confirms that it has complied, and during the term of the Contract will comply, with the Immigration Reform and Control Act (“IRCA”) and that each person it provides under the Contract will at all times be authorized for employment in the United States of America. Each proposer confirms that it has a properly completed Employment Eligibility Verification, Form I-9 for each person who will be assigned under the Contract and that it will require each subcontractor, if any, to confirm that it has a properly completed Form I-9 for each person who will be assigned under the Contract.

The successful proposer shall defend, indemnify, and hold harmless the Town, its employees, officers, officials, agents, volunteers and independent contractors, including any of the foregoing sued as individuals (collectively, the “Town Indemnified Parties”), against any and all proceedings, suits, actions, claims, damages, injuries, awards, judgments, losses or expenses, including fines, penalties, punitive damages, attorney’s fees and costs, brought or assessed against, or incurred by, the Town Indemnified Parties related to or arising from the obligations under IRCA imposed upon the successful proposer or its subcontractor. The successful proposer shall also be required to pay any and all attorney’s fees and costs incurred by the Town Indemnified Parties in enforcing any of the successful proposer’s obligations under this provision, whether or not a lawsuit is commenced, which obligations shall survive the termination or expiration on the Contract.

NON COLLUSION AFFIDAVIT

Each proposer shall submit a completed Non Collusion Affidavit that is part of this RFP.

CONTRACT TERMS

The following provisions will be mandatory terms of the Town’s Contract with the successful proposer. If a proposer is unwilling or unable to meet any of these Contract Terms, the proposer must disclose that inability or unwillingness in its Proposal Form (see Section 11 of these Standard Instructions to Proposers):

DEFENSE, HOLD HARMLESS AND INDEMNIFICATION

The successful proposer must agree, to the fullest extent permitted by law, to defend, indemnify, and hold harmless the Town, its employees, officers, officials, agents, volunteers and independent contractors, including any of the foregoing sued as individuals (collectively, the “Town Indemnified Parties”), from and against all proceedings, suits, actions, claims, damages, injuries, awards, judgments, losses or expenses, including attorney’s fees, arising out of or relating, directly or indirectly, to the successful proposer’s malfeasance, misconduct, negligence or failure to meet its obligations under the RFP or the Contract. The successful proposer’s obligations under this section shall not be limited in any way by any limitation on the amount or type of the successful proposer’s insurance.

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In any and all claims against the Town Indemnified Parties made or brought by any employee of the successful proposer, or anyone directly or indirectly employed or contracted with by the successful proposer, or anyone for whose acts or omissions the successful proposer is or may be liable, the successful proposer's obligations under this section shall not be limited by any limitation on the amount or type of damages, compensation or benefits payable by the successful proposer under workers' compensation acts, disability benefit acts, or other employee benefits acts.

The successful proposer shall also be required to pay any and all attorney's fees incurred by the Town Indemnified Parties in enforcing any of the successful proposer's obligations under this section, which obligations shall survive the termination or expiration of this RFP and the Contract.

The Town will NOT defend, indemnify, or hold harmless the successful proposer.

ADVERTISING

The successful proposer shall not name the Town in its advertising, news releases, and promotional efforts without the Town's prior written approval.

If it chooses, the successful proposer may list the Town in a Statement of References or similar document required as part of a public proposal. The Town's permission to the successful proposer to do so is not a statement about the quality of the successful proposer's work or the Town's endorsement of the successful proposer.

W-9 FORM

The successful proposer must provide the Town with a completed W-9 form before Contract execution.

PAYMENTS

Proposers are encouraged to offer discounts for early payment. All other payments are to be made 30 days after the appropriate Town employee receives and approves the invoice, unless otherwise specified in the Specifications.

TOWN INSPECTION OF WORK

The Town may inspect the successful proposer's work at all reasonable times. This right of inspection is solely for the Town's benefit and does not transfer to the Town the responsibility for discovering patent or latent defects. The successful proposer has the sole and exclusive responsibility for performing in accordance with the Contract.

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REJECTED WORK OR MATERIALS

The successful proposer, at its sole cost and expense, shall remove from the Town's property rejected items, commodities and/or work within 48 hours of the Town's notice of rejection. Immediate removal may be required when safety or health issues are present.

MAINTENANCE AND AVAILABILITY OF RECORDS

The successful proposer shall maintain all records related to the work described in the RFP for a period of five (5) years after final payment under the Contract or until all pending Town, state and federal audits are completed, whichever is later. Such records shall be available for examination and audit by Town, state and federal representatives during that time.

SUBCONTRACTING

Prior to entering into any subcontract agreement(s) for the work described in the Contract, the successful proposer shall provide the Town with written notice of the identity (the subcontractor's full legal name, street address, mailing address (if different from street address), and telephone number) of each proposed subcontractor. The Town shall have the right to object to any proposed subcontractor by providing the successful proposer with written notice thereof within seven (7) business days of receipt of all required information about the proposed subcontractor. If the Town objects to a proposed subcontractor, the successful proposer shall not use that subcontractor for any portion of the work described in the Contract.

All permitted subcontracting shall be subject to the same terms and conditions as are applicable to the successful proposer. The successful proposer shall remain fully and solely liable and responsible to the Town for performance of the work described in the Contract. The successful proposer also agrees to promptly pay each of its subcontractors within thirty (30) days of receipt of payment from the Town or otherwise in accordance with law. The successful proposer shall assure compliance with all requirements of the Contract. The successful proposer shall also be fully and solely responsible to the Town for the acts and omissions of its subcontractors and of persons, whether directly or indirectly employed by the subcontractor(s), as the successful proposer is for the acts or omissions of the persons it employs directly.

PREVAILING WAGES

Wages paid on an hourly basis to any person performing the work of any mechanic, laborer or worker under the Contract and the amount of payment or contribution paid or payable on behalf of each such person to any employee welfare fund, as defined in Conn. Gen. Stat. § 31-53, as amended, shall be at a rate equal to the rate customary or prevailing for the same work in the same trade or occupation in the Town. A successful proposer who is not obligated by agreement to make payment or contribution on behalf of such persons to any such employee welfare fund shall pay to each mechanic, laborer or worker as part of such person's wages the amount of payment or contribution for such person's classification on each pay day.

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WORKERS COMPENSATION

Prior to Contract execution, the Town will require the tentative successful proposer to provide a current statement from the State Treasurer that, to the best of her knowledge and belief, as of the date of the statement, the tentative successful proposer was not liable to the State for any workers' compensation payments made pursuant to Conn. Gen. Stat. § 31-355.

SAFETY

The successful proposer and each of its permitted subcontractors shall furnish proof that each employee performing the work of a mechanic, laborer or worker under the Contract has completed a course of at least ten (10) hours in construction safety and health approved by the federal Occupational Safety and Health Administration or has completed a new miner training program approved by the Federal Mine Safety and Health Administration. Such proof shall be provided with the certified payroll submitted for the first week each such employee, mechanic, laborer, or worker begins work under the Contract.

COMPLIANCE WITH LAWS

The successful proposer shall comply with all applicable laws, regulations, ordinances, codes and orders of the United States, the State of Connecticut and the Town related to its proposal and the performance of the work described in the Contract.

LICENSES AND PERMITS

The successful proposer certifies that, throughout the Contract term, it shall have and provide proof of all approvals, permits and licenses required by the Town and/or any state or federal authority. The successful proposer shall immediately and in writing notify the Town of the loss or suspension of any such approval, permit or license.

AMENDMENTS

The Contract may not be altered or amended, except by written agreement of both parties.

ENTIRE AGREEMENT

It is expressly understood and agreed that the Contract contains the entire agreement between the parties, and that the parties are not, and shall not be, bound by any stipulations, representations, agreement or promises, oral or otherwise, not printed or inserted in the Contract or attached as exhibits hereto.

VALIDITY

The invalidity of one or more of the phrases, sentences or clauses contained in the Contract shall not affect the remaining portions so long as the material purposes of the Contract can be determined and effectuated.

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CONNECTICUT LAW AND COURTS

The Contract shall be governed by and construed in accordance with the internal laws (as opposed to the conflicts of law provisions) of the State of Connecticut, and the parties irrevocably submit in any suit, action or proceeding arising out of this Contract to the jurisdiction of the United States District Court for the District of Connecticut and the jurisdiction of any court of the State of Connecticut.

NON-EMPLOYMENT RELATIONSHIP

The Town and the successful vendor are independent parties. Nothing contained in the Contract shall create, or be construed or deemed as creating, the relationships of principal and agent, partnership, joint venture, employer and employee, and/or any relationship other than that of independent parties contracting with each other solely for the purpose of carrying out the terms and conditions of the Contract. The successful vendor understands and agrees that it is not entitled to employee benefits, including but not limited to worker's compensation and employment insurance coverage, and disability. The successful vendor shall be solely responsible for any applicable taxes.

END OF STANDARD INSTRUCTIONS TO PROPOSERS

TOWN OF EAST HARTFORD, CONNECTICUT

SPECIFICATIONS FOR
ENERGY PERFORMANCE CONTRACTING SERVICES

BID #14-19 (R.F.P.)

SCOPE OF WORK

ENERGY PERFORMANCE CONTRACT PROJECT PHASES

1. Technical Energy Audit and Project Proposal Phase
Technical Energy Audit and Project Proposal Contract. A Technical Energy Audit and Project Proposal Contract will be negotiated in substantially the same format as presented in Attachment F: Model Contract for Technical Energy Audit and Project Proposal (also see Attachment A: Special Contract Terms and Conditions).
2. Construction/Implementation/Commissioning/Financing Phase. Energy Performance Contract. Following successful completion and acceptance of the Technical Energy Audit and Project Proposal Contract, an Energy Performance Contract may be negotiated to implement the selected projects.

CONTRACTOR SERVICES

Contractor must have the demonstrated capability in engineering and management to provide a broad range of services. Services may include but are not limited to the following:

Technical Energy Audit and Project Proposal Phase

- technical energy audit to evaluate costs and savings of a variety of energy and water-saving measures
- project proposal including financial analysis
- benchmarking using Energy Star tools

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- monitoring and verification plan
- utility bill data services to capture credits from utility bill errors

Construction/Implementation/Commissioning and Financing Phase

- engineering design
- equipment procurement and purchasing
- construction management
- hazardous waste disposal or recycling
- access to financing from credible companies
- commissioning

Guarantee/Monitoring Phase

- continuing operations and maintenance for all improvements
- staff training on routine maintenance and operation of systems
- training of occupants
- guarantee of performance and cost savings for the entire term of the contract
- monitoring and verification for measurement and reporting of the performance and savings
- allow for independent review of monitoring & verification (guaranteed savings to pay for independent Contractor)
- analysis and application for Energy Star Label www.energystar.gov and/or LEED-EBOM (Leadership in Energy and Environmental Design for Existing Buildings-Operations and Maintenance, by the US Green Building Council) <http://www.usgbc.org/DisplayPage.aspx?CMSPageID=221>
- monitoring and reporting of emissions reductions
- maintaining long-term, high-efficiency performance of buildings

Contractor 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.
- Plants. Distribution systems, cogeneration systems, etc.
- Lighting systems. Indoor and outdoor lighting systems, lighting controls, daylighting strategies.
- Electrical distribution systems. Transformer replacements, etc.
- Building envelope systems. Windows, insulation, weatherization, etc. (It is recognized that window replacements are rarely cost-effective, but could be considered as part of an overall comprehensive plan.)
- Specialty Systems: laundry equipment, kitchen equipment, renewable energy systems (e.g. PV, solar thermal, ground source heat pumps, wind power.)
- LEED-EBOM: LEED-EB strategies to improve operations and maintenance practices
- Water and Sewage Systems. Automatic controls, low-flow faucet aerators, low-flow toilets, cooling tower modifications, and irrigation system controls or modifications.
- Desired projects.

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BUILDINGS, FACILITIES AND APPROACH

All facilities owned, managed or operated by Town at any time during the term of the performance contract will be considered for this work. Additional facilities not yet identified that are under the jurisdiction of the Town at any time during the term of the performance contract can be included in the scope of work through a contract amendment.

Work may be conducted in phases where the detailed scope of work can be developed at any time during the term of the performance contract.

The performance contract can be amended at any time during the initial performance contract term to address other buildings or new projects.

Utility Incentives – Contractor must diligently pursue any local utility incentive programs, grants, or assignment of tax benefits, as applicable. Detailed information concerning these programs may be obtained directly from the utilities or other funding sources. Contractor will deduct any utility incentives from the Total Project Investment. All grants and other funding sources must entirely be passed through to the Town. The selected Contractor will be required to secure and maximize the usage of all applicable utility incentives available for this project.

Town reserves the right to reduce the scope of work, to conduct the work in phases or to segment work in facilities based on technological improvements.

The objective of the Town in issuing this RFP is to upgrade facilities through a “Guaranteed Energy Savings Contract”, sometimes also referred to as “Performance Contracting”. The Town is interested in contracting for a full range of energy services and energy-related capital improvements ("energy conservation measures" or "ECMs"), financed through a guaranteed energy savings contract at no capital cost to the Town. The total amount of space that is being considered for this contract is approximately **276,299** square feet in **14** facilities, and approximately **5,000** streetlights.

Please note, in order to conserve the resources of both the Town and the proposing ESCOs, we are asking that the ESCOs prepare a proposal with energy conservation opportunities only at the following facilities:

Identification of preliminary ECMs. The Town expects the ESCOs to individually propose innovative ways to reduce current energy usage and costs and propose creative solutions to operational problems and maintenance issues.

However, in order to make the evaluation process somewhat more objective, and to ease comparison of technical and pricing approaches between the submitted proposals, the ESCOs, shall consider, at a minimum, the following list of energy conservation measures (ECMs):

-Upgrade of Town owned street lighting

RFP for Energy Performance Contracting Services

Section 2: Specifications

The following is a list of 4,996 high pressure sodium street lights that the Town owns and would like upgraded with more energy efficient fixtures. The Town would also like proposers to submit their approach and pricing to assume all maintenance requirements for the new light fixtures for the term of the contract. These street lights are on CL&P Rate 117-Partial Street Lighting Service. A line-by-line list of all Town owned street lights are included in Attachment E.

	NAME OF LOCATION	Notes
Upgrade High Pressure Sodium Street Lighting	All Town Owned	# of fixtures
	6,300 Lumen HPS 84W	3,189
	9,500 Lumen HPS 118W	1,119
	16,000 Lumen HPS 172W	232
	27,500 Lumen HPS 311W	377
	50,000 Lumen HPS 472W	70
	140,000 Lumen HPS 1,103W	9
	Total (Note: this does not include a handful of fixtures that will be included in the final project)	4,996

-Upgrade of all exterior lighting at Town facilities

Inventory of Town facilities exterior lighting will be provided at the mandatory pre-proposal conference (See list below of Town facilities). Please use a blended utility rate of \$0.15/kWh and assume CL&P Standard Dusk to Dawn hours of operation (4,150 hours per year) for calculating savings.

Standard Dusk to Dawn Service (hours):

January - 433hrs
February - 365hrs
March - 364hrs
April - 310hrs
May - 280hrs
June - 251hrs
July - 269hrs
August - 301hrs
September - 334hrs
October - 388hrs
November - 413hrs
December - 442hrs
Total – 4,150hrs

RFP for Energy Performance Contracting Services
Section 2: Specifications

List of East Hartford Owned Buildings

Bld #	Building Name	Address 1	Occupancy	Number of Floors	Square Feet
1	Public Safety Complex	31 School Street	Jail, Police Station	2	64,124
2	Community Cultural Center	50 Chapman Place	Community Center	3	52,690
3	Town Hall Offices	740 Main Street	Government Building	2	34,572
4	Central Administration Office	1110 Main Street	Office Building	3	28,785
5	Southside Sr. Center	70 Canterbury Road	Senior Clubhouse Center	1	27,304
6	Raymond Library	840 Main Street	Library,Public	2	17,296
7	Firehouse No. 5	141 Brewer Street	FireStation Staffed	1	16,000
8	Firehouse #1	726 Main Street	FireStation Staffed	2	9,444
9	Administrative Office	752-754 Main Street	Office Building	3	5,940
10	Firehouse #5	304 Main Street	FireStation Staffed	2	4,476
11	Firehouse #6	1050 Forbes Street	FireStation Staffed	1	4,396
12	Hockanum Library	165 Main Street	Library,Public	2	3,876
13	Wickham Memorial Library	685 Burnside Avenue	Library,Public	2	3,752
14	Firehouse #2	1692 Main Street	FireStation Staffed	2	3,644
					276,299

Potential Future Added Scope

-Specific Facility Upgrades of Interest to the Town

The addition of emergency generators to a selection of Town buildings in order to provide power to critical electrical loads during an electric grid outage.

RFP for Energy Performance Contracting Services
Section 3: Insurance Requirements

INSURANCE REQUIREMENTS

The successful proposer shall, at its own expense and cost, obtain and keep in force at least the insurance listed in the Insurance Requirements that are a part of this RFP, shown in Attachment F, Section 5. The Town reserves the right to request from the successful proposer a complete, certified copy of any required insurance policy.

RFP for Energy Performance Contracting Services
Section 4: Proposal Form

TOWN OF EAST HARTFORD, CONNECTICUT

PROPOSAL FORM

Energy Performance Contracting Services

PROPOSAL # 14-19

PROPOSER'S FULL LEGAL NAME: _____

Pursuant to and in full compliance with the RFP, the undersigned proposer, having visited the site or property if applicable, and having thoroughly examined each and every document comprising the RFP, including any addenda, hereby offers and agrees as follows:

REQUIRED DISCLOSURES

1. **Exceptions to the RFP**

_____ This proposal does not take exception to any requirement of the RFP, including but not only any of the Contract Terms set forth in Section __ of the Standard Instructions to Proposers.

OR

_____ This proposal takes exception(s) to the RFP requirements, including but not only the following Contract Terms set forth in Section __ of the Standard Instructions to Proposers. Attached is a sheet fully describing each such exception.

RFP for Energy Performance Contracting Services
Section 4: Proposal Form

2. State Debarment List

Is the proposer on the State of Connecticut's Debarment List?

_____ Yes
_____ No

3. Occupational Safety and Health Law Violations

Has the proposer or any firm, corporation, partnership or association in which it has an interest (1) been cited for three or more willful or serious violations of any occupational safety and health act or of any standard, order or regulation promulgated pursuant to such act, during the three-year period preceding the proposal (provided such violations were cited in accordance with the provisions of any state occupational safety and health act or the Occupational Safety and Health Act of 1970, and not abated within the time fixed by the citation and such citation has not been set aside following appeal to the appropriate agency or court having jurisdiction) or (2) received one or more criminal convictions related to the injury or death of any employee in the three-year period preceding the proposal?

_____ Yes
_____ No

If "yes," please attach a sheet fully describing each such matter.

4. Disputes

Has either the proposer or any of its principals (regardless of their place of employment) been involved for the most recent ten (10) years in any resolved or pending arbitration or litigation?

_____ Yes
_____ No

If "yes," please attach a sheet fully describing each such matter.

5. Civil/Criminal Findings

Has the proposer or any of its principals (regardless of their place of employment) ever been the subject of any criminal proceedings?

_____ Yes
_____ No

If "yes," please attach a sheet fully describing each such matter.

RFP for Energy Performance Contracting Services

Section 4: Proposal Form

6. Ethics

Has either the proposer or any of its principals (regardless of their place of employment) ever been found to have violated any state or local ethics standard or to have committed any other offense arising out of the submission of proposals or proposals, or performance of work on public works projects or contracts?

_____ Yes
_____ No

If “yes,” please attach a sheet fully describing each such matter.

PROPOSAL SECURITY (if required)

I/we have included herein the required certified check or proposal bond in the amount of 10% of the proposal amount.

NOTE: THIS DOCUMENT, IN ORDER TO BE CONSIDERED A VALID PROPOSAL, MUST BE SIGNED BY A PRINCIPAL OFFICER OR OWNER OF THE BUSINESS ENTITY THAT IS SUBMITTING THE PROPOSAL. SUCH SIGNATURE CONSTITUTES THE PROPOSER’S REPRESENTATIONS THAT IT HAS READ, UNDERSTOOD AND FULLY ACCEPTED EACH AND EVERY PROVISION OF EACH DOCUMENT COMPROMISING THE RFP, UNLESS AN EXCEPTION IS DESCRIBED ABOVE.

BY _____
(PRINT NAME)

TITLE: _____

(SIGNATURE)

DATE: _____

END OF PROPOSAL FORM

RFP for Energy Performance Contracting Services
Section 5: Proposer's Legal Status Disclosure

TOWN OF EAST HARTFORD, CONNECTICUT

PROPOSER'S LEGAL STATUS DISCLOSURE

Please fully complete the applicable section below, attaching a separate sheet if you need additional space.

For purposes of this disclosure, "permanent place of business" means an office continuously maintained, occupied and used by the proposer's regular employees regularly in attendance to carry on the proposer's business in the proposer's own name. An office maintained, occupied and used by a proposer only for the duration of a contract will not be considered a permanent place of business. An office maintained, occupied and used by a person affiliated with a proposer will not be considered a permanent place of business of the proposer.

IF A SOLELY OWNED BUSINESS:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business under sole proprietor or trade name _____

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "permanent place of business."

IF A CORPORATION:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business under sole proprietor or trade name _____

Names of Current Officers

President

Secretary

Chief Financial Officer

RFP for Energy Performance Contracting Services
Section 5: Proposer's Legal Status Disclosure

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "permanent place of business."

IF A LIMITED LIABILITY COMPANY:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business under sole proprietor or trade name _____

Names of Current Manager(s) and Members

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "permanent place of business."

RFP for Energy Performance Contracting Services
Section 5: Proposer's Legal Status Disclosure

IF A PARTNERSHIP:

Proposer's Full Legal Name _____

Street Address _____

Mailing Address (if different from Street Address) _____

Owner's Full Legal Name _____

Number of years engaged in business under sole proprietor or trade name _____

Names of Current Partners

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Name & Title (if any)

Residential Address (street only)

Does the proposer have a "permanent place of business" in Connecticut, as defined above?

_____ Yes _____ No

If yes, please state the full street address (not a post office box) of that "permanent place of business."

Sign on the next page

RFP for Energy Performance Contracting Services
Section 5: Proposer's Legal Status Disclosure

Proposer's Full Legal Name

(print)
Name and Title of Proposer's Authorized Representative

(signature)
Proposer's Representative, Duly Authorized

Date

END OF LEGAL STATUS DISCLOSURE FORM

RFP for Energy Performance Contracting Services
Section 6: Proposer's Certification of Affirmative Action Program

TOWN OF EAST HARTFORD, CONNECTICUT

PROPOSAL # 14-19

ENERGY PERFORMANCE CONTRACTING SERVICES

PROPOSER'S CERTIFICATION
Concerning Equal Employment Opportunities
And Affirmative Action Policy

I/we, the proposer, certify that:

- 1) I/we are in compliance with the equal opportunity clause as set forth in Connecticut state law (Executive Order No. Three).
- 2) I/we do not maintain segregated facilities.
- 3) I/we have filed all required employer's information reports.
- 4) I/we have developed and maintain written affirmative action programs.
- 5) I/we list job openings with federal and state employment services.
- 6) I/we attempt to employ and advance in employment qualified handicapped individuals.
- 7) I/we are in compliance with the Americans with Disabilities Act.
- 8) I/we (check one):

_____ have an Affirmative Action Program, or
_____ employ 10 people or fewer.

Legal Name of Proposer

(signature)
Proposer's Representative, Duly Authorized

Name of Proposer's Authorized
Representative

Title of Proposer's Authorized Representative

Date

RFP for Energy Performance Contracting Services
Section 7: Proposer's Non Collusion Affidavit

TOWN OF EAST HARTFORD, CONNECTICUT

PROPOSER'S NON COLLUSION AFFIDAVIT

PROPOSAL FOR: ENERGY PERFORMANCE CONTRACTING SERVICES

PROPOSAL NUMBER:

The undersigned proposer, having fully informed himself/itself regarding the accuracy of the statements made herein, certifies that:

- (1) the proposal is genuine; it is not a collusive or sham proposal;
- (2) the proposer developed the proposal independently and submitted it without collusion with, and without any agreement, understanding, communication or planned common course of action with, any other person or entity designed to limit independent competition;
- (3) the proposer, its employees and agents have not communicated the contents of the proposal to any person not an employee or agent of the proposer and will not communicate the proposal to any such person prior to the official opening of the proposal; and
- (4) no elected or appointed official or other officer or employee of the Town of East Hartford is directly or indirectly interested in the proposer's proposal, or in the supplies, materials, equipment, work or labor to which it relates, or in any of the profits thereof.

The undersigned proposer further certifies that this affidavit is executed for the purpose of inducing the Town of East Hartford to consider its proposal and make an award in accordance therewith.

Legal Name of Proposer

(signature)
Proposer's Representative, Duly Authorized

Name of Proposer's Authorized Representative

Title of Proposer's Authorized Representative

Date

Subscribed and sworn to before me this _____ day of _____, 20__.

Notary Public

MY COMMISSION EXPIRES

ATTACHMENT A: SPECIAL CONTRACT TERMS AND CONDITIONS

Contract Documents. The **Model Technical Energy Audit & Project Proposal Contract (Attachment F)** will be used.

Payment for Audit. As given in the **Model Technical Energy Audit & Project Proposal Contract (Attachment F)**:

Payment through Performance Contract. Town shall have no payment obligations under this contract provided that Contractor and Town execute an Energy Performance Contract within 120 days, after issuance of the **Notice of Acceptance** of the final **Technical Energy Audit and Project Proposal Contract**, but the fee indicated above shall be incorporated into Contractor's project costs in the Energy Performance Contract and paid through the Energy Performance Contract funding mechanisms.

Project With Insufficient Savings. Town shall have no payment obligations under this Contract in the event that Contractor's final **Technical Energy Audit and Project Proposal Contract** does not contain a package of energy and water saving measures which, if implemented and as meeting terms of **Scope of Work, Guidelines and Requirements**, will provide the Town with cash savings sufficient to fund Town's payments of all costs and fees associated with the Energy Performance Contract, including 1) the fee associated with the Technical Energy Audit, 2) all monthly payments on a lease purchase agreement to finance the measures, 3) any annual fees for monitoring and maintenance incurred by the Contractor. Should the Contractor determine at any time during the Technical Energy Audit that savings cannot be attained to meet these terms, the Technical Energy Audit will be terminated by written notice by the Contractor to Town. In this event this Contract shall be cancelled and Town shall have no obligation to pay, in whole or in part.

Project is Declined By Town. Within 90 days of Town's decision not to execute the **Project Proposal Contract**, Town shall pay to Contractor a sum not to exceed **TBD Dollar Amount in Words (\$ dollar amount)** based on a maximum of square footage to be audited gross square feet at cost per square foot per square foot of audited square-footage, as per **Cost and Pricing**. Town shall only pay for square-footage actually audited. Areas deemed by Contractor not to be audited will not be charged to Town.

Funding sources to support annual payment:

The following payment sources will be considered in the audit:

- Annual energy cost savings
- Annual water and other utility cost savings
- Material/commodity savings, only in years when savings are achieved, including avoided costs such as lamp and ballast replacements, scheduled replacement of parts, etc.
- During negotiations, Town may consider savings to include the following:
 - Maintenance cost savings such as terminated service contracts on equipment.

RFP for Energy Performance Contracting Services

Attachment A: Special Terms & Conditions

Equity cash outlay:

- At option of Town, an equity cash outlay, pending funding approval, may be used to supplement savings

Maintenance and operation cost savings: Savings will be limited to those that can be thoroughly documented and approved. Such savings must only be attributed to the cash flow in years when savings will actually occur.

Contract Term. The contract term is up to 15 years provided the cost-weighted average lifetime of the equipment exceeds the contract term. The *ASHRAE Book of Standards* will be used in determining the cost-weighted average useful life of the equipment.

Annual Savings Exceed Annual Costs. Annual savings shall exceed annual payments each and every year while the performance guarantee is in effect. This means that excess savings in other years and interim savings during the construction period shall not be allocated to meet shortfalls in any other year. Annual payments shall include debt service, Contractor fees, maintenance services, monitoring services, third party consultant services, and other services.

Annual Guaranteed Cost Savings. An annual contractual guarantee will be provided for every year of the contract term. However, the Town reserves the right to terminate the Guarantee after three years from the date of project acceptance. If the Town exercises that option, the ESCO will have no more savings guarantee requirements. Any measurement guarantee shall be made available as a continued option for each subsequent year of the contract term. The Town can cancel the guarantee at any time after the required period. The guarantee must provide for the sum of identified cost savings to equal or exceed the amount of the annual payment, where annual payment equals lease plus monitoring & verification fee plus required service, each and every year while the guarantee is in effect.

Interim Savings during Construction Period. Savings accrued during the construction period will not be allocated to the annual savings of any year, unless the Town directs the selected ESCO to include it. See “Annual Savings Exceed Annual Costs” above.

Excess Savings (beyond the guaranteed amount). Excess savings will be retained by Town and will not be allocated to shortfalls in savings in other years. See “Annual Savings Exceed Annual Costs” above.

Use of Stated Cost Markups. The individual cost markups disclosed in the proposal will be used in both the Technical Energy Audit and the Energy Performance Contract, provided the size and scope of the project remain similar. Cost markups presented in the proposal can be negotiated downward.

Open Book Pricing. Open book pricing will be required, such that the Contractor will fully disclose all costs, including all costs of subcontractors and vendors. Contractor will maintain cost accounting records on authorized work performed under actual costs for labor and material, or other basis requiring accounting records. Contractor will provide access to records and preserve them for a period of three (3) years after final payment. Costs will be evaluated through price analysis to compare costs with reasonable criteria such as established catalog and market prices or historical prices. Stated cost markups will be clearly applied.

RFP for Energy Performance Contracting Services
Attachment A: Special Terms & Conditions

Contingency. Any unused contingency cost will not be retained by the Contractor and will be applied to the project.

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

Annual Appropriations. Annual payment is subject to annual appropriations.

Inflation and Escalation Rates. Any inflation rates will be pre-approved by Town.

Energy Escalation Rates. Where the annual lease-purchase payments are set-up to escalate each year in anticipation of annually escalating energy cost savings, a calculator will be used to determine the maximum value as developed by the US Department of Energy for energy saving performance contracts in its Federal Energy Management Program. The tool is on-line at: http://www1.eere.energy.gov/femp/information/download_blcc.html#eerc (EERC). ***However for the purposes of the RFP response, all ESCOs should use a 2% escalation factor for all utilities and a 3% escalation factor for all M&V and O&M costs.***

Monitoring and Verification Plan. A monitoring and verification plan will be developed per IPMVP guidelines in the energy performance contract. Note that this will be rigorously reviewed by the Town's third party consultant, Celtic Energy, Inc.

Independent Review of Project. The energy performance contract must include a portion (2%) of the total project cost to be used to cover the cost of the Town's independent monitoring & verification specialist, Celtic Energy, to provide an independent review of the Contractor's energy savings calculations, monitoring & verification plans, reporting, etc. ESCOs should include this as a line item in their cost buildup and cash flow document.

RFP for Energy Performance Contracting Services
Attachment B: Proposed Project Schedule

ATTACHMENT B: PROPOSED PROJECT SCHEDULE

The following schedule is the proposed schedule, and may change during the project.

ACTIVITY	DATE
<u>RFP Phase</u>	
Contractor Selection and Award Refer to Submittal Schedule in Section 2.3 above.	Weeks 1- 10
<u>Technical Energy Audit Phase</u>	
Contract Negotiation	Weeks 11-13
Board approval and signatures to execute contract	Week 14-18
Audit, Final Report and Presentation	Weeks 19-29
<u>Energy Performance Contract Phase</u> Negotiation and Documentation	Weeks 29-30
Board approval and signatures to execute contract	Weeks 31-34
Installation	To be negotiated
<u>Commissioning/Monitoring Phase</u>	
Commissioning	To be negotiated
Monitoring	To be negotiated
Staff Training	To be negotiated
Other	To be negotiated
Proposed Contract Term	To be negotiated

Note: This schedule is subject to change.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

ATTACHMENT C: CONTRACTOR RESPONSE

- An electronic copy of this RFP section will be made available to all attendees of mandatory pre-proposal meeting for easier response preparation.
- *Please number and re-state each subheading or question, followed by your response.*
- *Number all pages.*

COVER SHEET

See cover sheet example at the end of this attachment.

FIRM'S GENERAL APPROACH TO PERFORMANCE CONTRACTING

Describe performance contracting from your firm's perspective, describing your phases and your firm's ability to support each of the phases. Provide a stand-alone overview, maximum of 5 pages, using any order or format to present your company as you wish. Include highlights on company background, market sectors served, company strengths and areas of expertise. Also include your general approach to performance contracting: typical phases for a project and ability to support each phase (Project Development, Energy Auditing, Performance/Savings Guarantee, Financing, Construction, Commissioning, Measurement and Verification, Client Staff/Occupant Training, Post-construction Maintenance Support).

The purpose of this overview is to provide a good introduction of your firm to the evaluation committee.

2. PROJECT HISTORY

a. Project List.

List all energy performance contracts that your firm or personnel have managed within the last five years. Include list as shown below. Truncate the list at one page.

1) PERFORMANCE CONTRACTING PROJECTS

Project Name	City, State	Total Project \$	Year completed

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

All projects listed should be those conducted only by your firm. If you deem it relevant to list projects under contract to a different firm, clearly identify the name of firm responsible for the project and indicate why you're including it as a reference for your company and for this project.

2) OTHER PROJECTS (only if deemed relevant to this project)

If desired, also list related projects deemed relevant to this work, particularly those managed in the state.

Project Name	Project Type	City, State	Total Project \$	Year constructed

b. Project References

Provide detailed information on *performance contract-based projects* you want to showcase that have similarities to work related to this proposal. Similarities could include type/use of building, size of individual buildings, size of total expected project, technical scope of projects, geographic region (work in this state or similar type of metro/rural region). Include the following information on each project, as a minimum.

Using the forms on the following pages, list at least 3 energy performance contracting projects in repayment by and currently under contract with your firm. Limit your response to ONLY those projects that have been managed directly by the specific branch, division, office or any individual in such branch, division or office who will be specifically assigned to this project. Attach additional sheets as necessary. Please put an asterisk by any project references involving buildings similar to the building(s) described in the technical appendices. All information requested is required.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

PROJECT HISTORY AND CLIENT REFERENCE FORM

(i)

Project Name and Location; Number of Buildings; Primary Use; Total square footage	
Project Dollar Amount (installed project costs); Source of Project Financing	
Primary ECMs Installed; ESCO Services Provided	
Construction Start & End Dates	
Contract Start & End Dates	
Dollar Value and Type of Annual Operational Cost Savings (if applicable) (e.g., outside maintenance contracts, material savings, etc.)	
Method(s) of Savings Measurement and Verification	
Provide CURRENT and ACCURATE telephone numbers and email addresses of the owner(s)' representatives with whom your firm did business on this project. You should ensure that all representatives are familiar with this project.	
Describe the specific roles and responsibilities of ESCO personnel associated with the identified project. Limit your response to only those personnel who will be directly involved in Customer's project.	
ESCO Notes or Comments	

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

Complete the following information for each of the projects listed.

A. ANNUAL ENERGY SAVINGS DATA FORM

Name of Project: _____ Name of ESCO: _____

	Projected	Guaranteed	Achieved				
			Year 1	Year 2	Year 3	Year 4	Year 5
KWH							
KW Demand							
Therms							
Water(Gallons)							
Other (Specify)							
Other (Specify)							

Information for each of the headings listed above **MUST** be completed using the above format. **DO NOT** provide savings data in terms of BTU's or dollars. Data should be given in the form of fuel units which appear in the utility bills. Additional forms should be reproduced as needed.

B. ANNUAL ENERGY SAVINGS DATA FORM

Name of Project: _____ Name of ESCO: _____

	Projected	Guaranteed	Achieved				
			Year 1	Year 2	Year 3	Year 4	Year 5
KWH							
KW Demand							
Therms							
Water Gallons							
Other (Specify)							
Other (Specify)							

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

All projects listed should be those conducted only by your firm. If you deem it relevant to list projects under contract to a different firm, clearly identify the name of firm responsible for the project and indicate why you're including it as a reference for your company and for this project.

c. **Relevant Experience - Overview of Strengths**

Briefly summarize your project histories to define your firm's strengths and the relevance of past work to this project (experience similar to this project in terms of size, scope, facility type; experience with types of retrofits applicable to this project; etc.).

3. QUALIFICATIONS OF THE FIRM OR TEAM

(i)

a. **Background Information on the Firm**

1) Structure and Evolution of Firm. Type of firm (corporation, partnership, sole proprietorship, joint venture); Name of parent company if applicable (include the name, main office address and parent company's tax identification number). Name of division or branch office if applicable; Name of current firm and number of years operating under this firm name; Former firm names if applicable and corresponding years in operation. Structure of team if this is a joint venture.

2) Years in Energy Business. State the number of years your firm has been involved in the energy-efficiency related business.

3) Years in Performance Contracting. State the number of years your firm has offered performance contracting services.

4) Number of Performance Contracting Projects. State the number of performance contracting projects completed by your firm. Number under \$1 million. Number over \$1 million.

5) Project Team Members

Briefly describe the relevant experience, qualifications and educational background for each individual team member assigned to this project using the format provided below. Project Manager, Site Manager, Point of Contact, and a Professional Engineer Registered in Connecticut must be included in the team. Do not include individual resumes in lieu of this information.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

Name of Project Team Member:	
Current Job Title: Job responsibilities: Number of years with ESCO: Primary Office Location:	
Employment History Company Name: Primary job responsibilities: Number of years with firm:	
Educational Background List all academic degrees, certifications, professional affiliations, relevant publications and technical training.	
List all energy performance contracting projects this individual has been involved with during past 5 years. Include project location, type of facilities, year implemented and dollar value of installed project costs.	
Describe the specific role and responsibilities this individual had for each listed project.	
Provide a detailed description of the role and responsibilities this individual will have for the duration of this project.	
Describe any other relevant technical experience.	
Indicate the total years of relevant energy-related experience for this individual.	

Submit an organizational chart that clearly identifies the roles and relationships of all key team members.

FINANCIAL QUALIFICATIONS & STABILITY OF FIRM

- 1) **Financial Soundness.** Describe the financial soundness and stability of the firm.
- 2) **Profitability.** Has your firm or parent company been profitable each year for the past three years?
- 3) **Financial Report.** Submit the most recent annual summary (1-3 pages) of the annual Statements of Financial Conditions, including balance sheet, income statement and statement of cash flows, dated within the past twelve (12) months, along with name, address, and the telephone number of firm(s) that prepared the Financial Statements.
- 4) **Bonding.** Current bonding capacity; bond rating; confirmation that firm is currently bondable for 100% of a payment bond for construction of this project; 100% of a performance bond for construction of this project; letter from a licensed surety as evidence of ability to bond for each of these categories.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

c. Industry Accreditations

State if your firm is accredited by industry organizations, such as the National Association of Energy Service Companies (NAESCO), or pre-qualified for work through the U.S. Department of Energy for federal facilities or the U.S. Department of Defense. Describe the relevance or importance of any accreditations or pre-qualifications with regard to this project.

d. Compliance with Requirements

Affirm your ability to meet requirements: ***“Yes, this firm or team responding to this proposal understands the requirements specified in Attachment A: Special Contract Terms and Conditions, Attachment F: Technical Energy Audit and Project Proposal Contract.*”**

4. PERFORMANCE CONTRACTING CAPABILITY & TECHNICAL APPROACH

a. General Scope of Services

Following is a minimum scope of services acceptable to compete for an energy performance contract. Add a brief comment for each item (25 words or less preferred) to demonstrate your capability for each.

1) Energy systems in buildings, facilities and infrastructure:

Mechanical/Electrical Systems

- a) Lighting: indoor and outdoor
- b) Heating
- c) Ventilation and indoor air quality issues
- d) Cooling
- e) Control and building automation
- f) Fuel switching
- g) Central plant
- h) Water-consuming

Renewables

- i) Daylighting
- j) Solar-electric
- k) Solar thermal
- l) Geothermal
- m) Wind, small-scale or large-scale
- n) Biomass
- o) Distributed generation

Specialty Systems or Specific Building Types

- p) Kitchen or laundry
- q) Laboratories, clean rooms
- r) Healthcare hospitals, nursing homes, clinics
- s) Swimming pools and recreational facilities
- t) Computer laboratories

Energy Management Services:

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

- u) Energy management
- v) Utility bill auditing and bill payment (identifying errors and collecting credits)
- w) Energy Star Portfolio Manager, benchmarking
- x) LEED for Existing Buildings Operations & Maintenance
- y) Commissioning/re-commissioning
- z) LEED-NC support for any new building/addition project

Other

- aa) Transportation – fleet fuel management, etc.
- bb) Other

2) *Project Development and Implementation*

- a) Energy auditing (identify potential energy-saving measures, determine savings projection based on standard energy engineering principles; estimate project costs; present package of measures with cash flow)
- b) System design engineering: mechanical, electrical, etc.
- c) Procurement, bidding
- d) Construction
- e) Commissioning of projects and retro-commissioning of existing buildings
- f) Project management
- g) Identification of asbestos and other hazardous materials and abatement, recycling or disposal as applicable

3) *Core Performance Contracting Services*

- a) Performance guarantee for every year of the financing term
- b) Insurance per contract requirements
- c) Equipment warranties
- d) Ability to facilitate financing including a municipal, tax-exempt lease purchase
- e) Measurement and verification of savings
- f) Training: maintenance staff and occupants

4) *Support Services*

- a) Long-term maintenance services on energy systems
- b) Application for an Energy Star Label and LEED certification.
- c) Calculation and reporting of emissions reductions
- d) Assistance with securing funding from the Connecticut Energy Efficiency Fund, CT Clean Energy Fund, American Recovery and Reinvestment Act (ARRA), and CT Department of Education Office of Facilities Services, etc.
- e) Assistance with securing additional funding streams such as QZABS, QECBS, Build America Bonds, etc.

b. Performance Contracting Technical Approach

- 1) **Performance Guarantee.** How is a performance guarantee provided (self-guarantee or third party) and describe the value of this approach?
- 2) **Insurance.** How is insurance provided (self-guarantee or third party) and describe the value of this approach?
- 3) **Warrantees.** Who provides warrantee service (Contractor or manufacturer)? How is this provided? Describe the value of this approach.
- 4) **Standards of Comfort.** Describe standards of comfort that are generally used for light levels, space temperatures, ventilation rates, etc. in the intended facilities. Describe any flexibility.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

- 5) **Baseline Calculation Methodology.** Describe in detail the methodology your firm normally uses to compute baseline of energy and water use as well as performance.
- 6) **Project Schedule.** Comment on your ability to meet the schedule and the reasonableness of the schedule.

b. Sample Technical Audit.

Submit a sample technical audit conducted by your firm for a similar project (as directed in the Proposal Submittal Information).

- 1) Briefly describe this sample audit. It should be representative of the type of facility and the type of audit that will be conducted.
- 2) Verify that this audit includes detailed energy and economic calculations.
- 3) Verify that it was conducted by a current member of the team proposed for this project.

c. Site-Specific Approach

- 1) **Types of Services.** Summarize the scope of services (auditing, design, construction, monitoring, operations, maintenance, training, financing, etc.) identified for this project.
- 2) **Potential Projects.** Based on your preliminary assessment of the information provided, describe any equipment modifications, installations or replacements at the facility that your firm would consider installing as a part of this project. Address energy, water and LEED-EBOM opportunities related to operation and maintenance. Also describe any special features, renewable technologies, or advanced technologies that might be applicable. Describe any special features or services associated with your proposed improvements that would add value to Town. Describe your approach to achieve compatibility (such as open systems) and/or standardization of equipment in the facilities to be addressed. Complete the Summary Table below and include in the Executive Summary.
- 3) **Measure Economics** must be segregated by building (An ECM Summary Table must be provided for each building, and then totaled).

ECM Summary Table

<i>ECM No.</i>	<i>ECM Description</i>	<i>Implementation Expense</i>	<i>Monthly Demand Savings (kW)</i>	<i>Annual Electric Savings (kWh)</i>	<i>Annual Fossil Fuel Savings (mmBtu)</i>	<i>Annual Water Savings (gal)</i>	<i>Annual Utility Cost Savings</i>	<i>Annual O&M Cost Savings</i>	<i>Total Cost Savings</i>	<i>Estimated Incentive</i>	<i>Simple Payback (yrs)</i>
1											
2											
3											
4											
<i>Project Totals</i>											

5. MANAGEMENT AND STAFFING FOR THIS PROJECT

This section applies to this project, with an emphasis on local capability/service.

a. Management

- 1) **Coordination.** Describe your firm's approach to managing this project. Include an organizational chart showing clear lines of communication and responsibility. Describe the

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

transition and responsible parties from the sales to auditing phase, auditing to construction phase, construction to follow-up monitoring phase, etc.

- 2) **Construction Management.** Describe how your firm would 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 Town activities such as: management of additional energy and water projects, monitoring of installation and performance of Contractor projects, integration of other identified capital needs with Contractor projects which may or may not contain energy and water saving opportunities.
- 3) **In-house Capability vs. Subcontractors.** Generally describe the types of services (both professional and construction services) that you offer in-house and the services you offer through subcontractors, and describe the strategy behind in-house vs. subcontractor use. (Detailed information on pricing of subcontractors is requested in the Cost Section below.)
- 4) **Town Involvement.** Describe how you engage the Town in decision-making regarding project scope, equipment specifications, ongoing operational and maintenance strategies, etc., and how you incorporate Town's needs.
- 5) **Local Staffing and Support.** Describe extent of local staffing and support for the geographic region. Include basic job descriptions and capabilities of the local staff. Describe the relevance or importance of local presence with regard to this project.
- 6) **Long-term Servicing.** Describe long-term servicing of equipment and systems. State the location of your nearest servicing office.
- 7) **Risk/Responsibility Allocation.** Use the Risk/Responsibility matrix below to propose sharing of risks between the Town and ESCO.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

RESPONSIBILITY/DESCRIPTION	ESCO PROPOSED APPROACH
1. Financial	
<p>a. Interest rates: Neither the Contractor nor the Town has significant control over prevailing interest rates. During all phases of the project, interest rates will change with market conditions. Higher interest rates will increase project cost, financing/project term, or both. The timing of the Contract / Delivery Order signing may impact the available interest rate and project cost.</p>	
<p>b. Energy prices: Neither the Contractor nor the Town has significant control over actual energy prices. For calculating savings, the value of the saved energy may either be constant, change at a fixed inflation rate, or float with market conditions. If the value changes with the market, falling energy prices place the Contractor at risk of failing to meet cost savings guarantees. If energy prices rise, there is a small risk to the Town that energy saving goals might not be met while the financial goals are. If the value of saved energy is fixed (either constant or escalated), the Town risks making payments in excess of actual energy cost savings. Clarify how future energy costs will be treated.</p>	
<p>c. Construction costs: The Contractor is responsible for determining construction costs and defining a budget. In a fixed-price design/build Contract, the Town assumes little responsibility for cost overruns. However, if construction estimates are significantly greater than originally assumed, the Contractor may find that the project or measure is no longer viable and drop it before Contract award. In any design/build Contract, the Town loses some design control. Clarify design standards and the design approval process (including changes) and how costs will be reviewed.</p>	
<p>d. M & V costs: Third party M&V costs are paid from the project savings. Clarify how project savings are being verified (e.g., equipment performance, operational factors, energy use) and the impact on M&V costs.</p>	

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

<p>e. <u>Non-Energy Cost Savings:</u> The Town and the ESCO may agree that the project will include savings from <i>recurring</i> and/or <i>one-time</i> costs. Recurring savings generally result from reduced O&M expenses or reduced water consumption. These O&M and water savings must be based on actual spending reductions. Clarify sources of non-energy cost savings and how they will be verified.</p>	
<p>f. <u>Delays:</u> Both the Contractor and the Town can cause delays. Failure to implement a viable project in a timely manner costs the Town in the form of lost savings, and can add cost to the project (e.g. construction interest, re-mobilization). Clarify schedule and how delays will be handled.</p>	
<p>g. <u>Major changes in facility:</u> The Town controls major changes in facility use, including closure. Clarify responsibilities in the event of a premature facility closure, loss of funding, or other major change.</p>	
<p>2. Operational</p>	
<p>a. <u>Operating hours:</u> The Town generally has control over operating hours. Increases and decreases in operating hours can show up as increases or decreases in “savings” depending on the M&V method (e.g., operating hours multiplied by improved efficiency of equipment vs. whole-building/utility bill analysis). Clarify whether operating hours are to be measured or stipulated and what the impact will be if they change. If the operating hours are stipulated, the baseline should be carefully documented and agreed to by both parties.</p>	
<p>b. <u>Load:</u> Equipment loads can change over time. The Town generally has control over hours of operation, conditioned floor area, intensity of use (e.g. changes in occupancy or level of automation). Changes in load can show up as increases or decreases in “savings” depending on the M & V method. Clarify whether equipment loads are to be measured or stipulated and what the impact will be if they change. If the equipment loads are stipulated, the baseline should be carefully documented and agreed to by both parties.</p>	

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

<p>c. Weather: A number of energy efficiency measures are affected by weather. Neither the Contractor nor the Town has control over the weather. Changes in weather can increase or decrease “savings” depending on the M&V method (e.g. equipment run hours multiplied by efficiency improvement vs. whole-building/utility bill analysis). If weather is “normalized,” actual savings could be less than payments for a given year, but will average out over the long run. Clearly specify how weather corrections will be performed.</p>	
<p>d. User participation: Many energy conservation measures require user participation to generate savings (e.g., control settings). The savings can be variable and the Contractor may be unwilling to invest in these measures. Clarify what degree of user participation is needed and utilize monitoring and training to mitigate risk. If performance is stipulated, document and review assumptions carefully and consider M&V to confirm the capacity to save (e.g., confirm that the controls are functioning properly).</p>	
<p>3. Performance</p>	
<p>a. Equipment performance: Generally the Contractor has control over the selection of equipment and is responsible for its proper installation, commissioning, and performance. Generally the Contractor has responsibility to demonstrate that the new improvements meet expected performance levels including specified equipment capacity, standards of service, and efficiency. Clarify who is responsible for initial and long-term performance, how it will be verified, and what will be done if performance does not meet expectations.</p>	
<p>b. Operations: Responsibility for operations is negotiable, and it can impact performance. Clarify responsibility for operations, the implications of equipment control, how changes in operating procedures will be handled, and how proper operations will be assured.</p>	

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

<p>c. Preventive Maintenance: Responsibility for maintenance is negotiable, and it can impact performance. Clarify how long-term preventive maintenance will be assured, especially if the party responsible for long-term performance is not responsible for maintenance (e.g., Contractor provides maintenance checklist and reporting frequency). Clarify who is responsible for long-term preventive maintenance to maintain operational performance throughout the Contract term. Clarify what will be done if inadequate preventive maintenance impacts performance.</p>	
<p>d. Equipment Repair and Replacement: Responsibility for repair and replacement of Contractor-installed equipment is negotiable, however it is often tied to project performance. Clarify who is responsible for replacement of failed components or equipment throughout the term of the Contract. Specifically address potential impacts on performance due to equipment failure. Specify expected equipment life and warranties for all installed equipment. Discuss replacement responsibility when equipment life is shorter than the term of the Contract.</p>	

B. SELF-PERFORMED WORK OR SUBCONTRACTORS.

- 1) State whether work is completed by the Contractor or by a subcontractor for each category of measure (auditing, design, procurement/supply of equipment from vendors and manufacturers, engineering, construction management services, lighting, HVAC, controls, monitoring & verification, etc.),
- 2) Describe how subcontractors are selected. Also comment on your ability to competitively select subcontractors.
- 3) Identify any subcontractors already selected.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

6. COST AND PRICING

a. Markups

Markups represent a percentage added to the base cost for the project. Markup costs are disclosed to provide a typical project costing approach for a project of similar scope and size. This disclosure will provide the open book pricing structure to be used by the Contractor for this project. The markups will be used in the Technical Energy Audit Contract and Energy Performance Contract. (A substantial change in the scope and size of the project may necessitate renegotiation of the markups.)

Provide your company’s proposed maximum allowable markups in the schedule below for each category listed on the schedule. (The use of margins in lieu of markups is not acceptable.) This format is required and must be completed in its entirety. Use only the categories provided. Ranges for markups are not acceptable.

Clearly indicate (mark by page) if elements of this section are requested to be treated as proprietary (the responsible Purchasing official will make the final decision if this is to be treated as proprietary).

MARK-UPS		
<i>CATEGORY OF MARK-UP</i>	<i>MARK-UP APPLICATION</i>	<i>% MARK-UP</i>
Overhead		
Profit		
Labor – Internal		
Equipment Purchased		
Materials Purchased		
Subcontract Labor		
Subcontract Material		
Total:		

Clearly describe how self-performed work will be charged (billed hourly, billed as a markup of equipment and labor costs, etc.). If self-performed work will be billed hourly, include markups proposed to be applied to the hourly rate.

If a proposal is from a joint venture partnership, include proposed maximum allowable markups in the schedule format above for each participating company.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

b. Fees

Provide your company's proposed maximum allowable fees in the schedule below for each category listed on the schedule. This format is required and must be completed in its entirety. Use only the categories provided. Ranges for fees are not acceptable. If a proposal is from a joint venture partnership, provide proposed maximum allowable fees in the schedule format below for each participating company.

FEES		
<i>CATEGORY OF FEE</i>	<i>HOW DETERMINED AND USED</i>	<i>YEARS APPLIED</i> <i>(One-time, Annual, etc.)</i>
Technical Energy Audit and Project Development	\$ _____ per Square Foot	One time
Solicit & Evaluate Project Financing Proposals		
Design	(Example) _____ % of _____	
Contingency		
Permits		
Performance Bond		
Project Management		
Commissioning		
Training		
Monitoring and Verification		
Warranty Service		
Maintenance on Installed Measures		

Provide the proposed maximum fee for Technical Energy Audit and Project Proposal on a cost per square foot basis. The company agrees that the proposed maximum fees shall incorporate its responsibility to adhere to and complete the full scope of work as presented in the Standard Technical Energy Audit and Project Proposal Contract.

For each fee category listed on the schedule describe how that fee is determined, how the fee is charged to the project and when it is applied. For example, fees might be based on a percentage of project cost. Markups on fees are not allowable.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

c. Audit Cost

- 1) Total Cost. State the total cost of the technical energy audit. Ensure that your cost is based on the approach and requirements included in Attachment F: Model Technical Energy Audit and Project Proposal Contract.**
- 2) Unit Cost. State the cost per square foot of the audit. This cost will be evaluated on the basis of reasonableness, so an unrealistically high or low cost will be devalued in the evaluation process. The cost for the audit of the street lighting upgrades can be listed as a separate line item.**
- 3) Meet Full Scope of Work of Audit Contract. State your capability to complete the full scope of work as presented in Attachment F: Model Technical Energy Audit and Project Proposal Contract, within your proposed cost.**

d. Contingency

Describe your company's typical level of contingency budget for lighting, electrical, mechanical, controls projects, and other projects and how it proposes to apply contingency to cover changes in work scope and subcontractor change orders. Note that all unused contingency funds will revert to the Facility Owner or be applied to additional work scope through a change order approved by the Facility Owner.

State how the contingency will be applied to cover changes in work scope and subcontractor change orders. State the typical level of contingency budget for lighting, electrical, mechanical, controls projects, and other projects.

Note that all unused contingency funds will revert to Agency or be applied to additional work scope through a State approved change order.

e. Equipment/Labor Cost Competition

Describe your company's process to solicit bids on equipment/labor or to ensure price/cost competition and the best value for the Facility Owner.

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

f. Open Book Pricing

Open book pricing is full disclosure by the contractor to the Facility Owner of all costs and markups for materials, labor, and services received during the project development, implementation, and performance period phases. Open book pricing will be required such that all costs, including all costs of subcontractors and vendors, are fully disclosed. Describe your company's approach to open book pricing and its method for maintaining cost accounting records on authorized work performed under actual costs for labor and material, or other basis requiring accounting records.

g. Application of Markups and Fees (Hypothetical Example)

Provide a sample of your pricing model using a two-measure performance contracting project. Show the complete detail of what will be provided to the Town in the actual project using the markups and fees you will commit to in the actual project, as identified above, for all categories, fees and services that will be seen in the actual project.

Include a sample project proforma and clearly indicate all fees required for monitoring & verification, project management and all services that may be included in the actual project, including the audit cost. All markups and fees used in this example must be representative of what will be used in the actual project.

Additional markups, fees, or service category costs not shown in this example will NOT be allowed in the final contract.

Incomplete information will be considered an incomplete response and cause the response to be rejected.

- a) Provide an example lighting measure that relates to this project in size and scope. Provide all pricing documentation as you will provide it for open book pricing in the final contract. Clearly differentiate the subcontracted portion of the project and break out labor, materials and other categories as you will for open book pricing.***
- b) Provide same information for an example boiler measure (or other heating/cooling equipment if a boiler replacement is not relevant for this project)***
- c) Show the two measures above in a complete two-measure performance contracting project. Provide a proforma to clearly indicate all costs and fees represented as they will be applied in the final contract. Use the format and structure you will use in the final contract.***

RFP for Energy Performance Contracting Services
Attachment C: Contractor Response

- 2) **Best Value**. Briefly 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. Also describe any utility rebates or other financial incentives or grants can potentially provide and/or facilitate.

RFP for Energy Performance Contracting Services
Attachment D: Evaluation

ATTACHMENT D: EVALUATION

The Evaluation Team has identified scoring weights for each section, with the “Cost and Pricing” section equaling a minimum of 30% of the total score of the written response to this RFP. The Evaluation Team recognizes it is premature to place a major emphasis on projected financial benefits prior to the completion of the Technical Energy Audit, because the Audit will define the potential scope and cost benefit. Therefore, the most emphasis will be on qualifications and less emphasis will be placed on the cost information, as shown below. The criterion listed below will be used to determine a short list of responders who will then be interviewed by the selection committee.

Project Management

<u>Criterion</u>	Point Value
Clarity, organization, and level of detail in written proposal.	5
Quality of presentation content, and communication skills of the ESCO's representatives at the oral interview.	10
Clarity/reasonableness of proposed milestones and timeline for project implementation.	3
Quality of proposed training for facility staff.	3
Quality of products proposed.	3
General reputation, reliability, working relationship and performance capabilities of the qualified providers.	6
Total:	30

Technical Approach

<u>Criterion</u>	Point Value
Quality of project-specific Preliminary Technical Energy Audit Report, including comprehensiveness of analysis, understanding of existing building systems and conditions, and conformity with specifications set forth in the RFP.	10
Quality of baseline energy calculations.	5
Quality of proposed project-specific Project Commissioning Plan.	4
Quality of proposed project-specific Maintenance Plan	3
Understanding of customer’s facility, operation, and challenges.	3
Quality of proposed project-specific Measurement and Verification Plan.	5
Total:	30

RFP for Energy Performance Contracting Services
Attachment D: Evaluation

Financial Approach

<u>Criterion</u>	Point Value
Reasonableness of the project-specific Preliminary Cost Proposal	3
Dollar value of projected energy savings.	3
Dollar value of projected operating savings and clarity of supporting documentation.	4
Reasonableness of investment grade energy audit costs.	3
Subcontractor prices offered are reasonable	5
Markups fair and reasonable	7
Proposed costs of construction, financing, maintenance and training.	5
Total:	30

Other benefits to Town: This can refer to such non-tangible benefits such as improvements to the learning environment, teaching opportunities, green building considerations, greenhouse gas reductions, anti-drought measures, etc. **10**

Grand Total: 100

INTERVIEWS

Contractors in the competitive range will be invited for an oral interview. The selection committee will review the results of the interview and, based on the previous criterion and the oral interview, a final selection will be made.

SELECTION

The Evaluation Team will identify the apparent awardee and then contact references to complete the evaluation.

With quality references, the apparent awardee will be notified of selection; otherwise, the same process will be used with the second-ranked Contractor.

RFP for Energy Performance Contracting Services
Attachment E: STREET LIGHTING INVENTORY

ATTACHMENT E: STREET LIGHTING INVENTORY

An electronic copy of the line-by-line list of the Town's street lighting inventory is included as an attached Excel spreadsheet.

RFP for Energy Performance Contracting Services
Attachment F: Investment Grade Audit & Project Proposal Contract

ATTACHMENT F – INVESTMENT GRADE AUDIT & PROJECT PROPOSAL CONTRACT

This document is part of a collection of model procurement and contracting documents that represent best practices for state energy offices (SEOs) to launch and administer programs to increase energy efficiency through Energy Savings Performance Contracting. The documents draw from successful programs in various states and are continually updated to incorporate the latest strategies. They can be easily customized to meet the needs of any SEO or similar government department.

DESCRIPTION –Investment Grade Audit and Project Proposal Contract:

This Contract for Investment Grade Audit & Project Proposal is the first of two contracts with the selected ESCO. The ESCO will complete an investment grade Investment Grade Audit that will include an analysis of each proposed project with projected energy and cost savings and itemized project cost. The ESCO will also propose terms for the Energy Savings Performance Contract and present a proposal that includes recommended projects, financing term and projected annual cash-flow analysis. The results of the audit will form the basis for a subsequent Energy Savings Performance Contract.

This is a model document only and does not attempt to identify or address all circumstances or conditions you may encounter or desire. Consult with your legal counsel and procurement staff to adapt it to meet your needs.

**ATTACHMENT F – INVESTMENT GRADE AUDIT & PROJECT PROPOSAL
CONTRACT**

INVESTMENT GRADE AUDIT & PROJECT PROPOSAL CONTRACT

TABLE OF CONTENTS

EXHIBITS

- Exhibit A: Scope of Work**
- Exhibit B: Notice of Acceptance of Investment Grade Audit Report**
- Exhibit C: Guidelines for Preliminary Monitoring and Verification Plan**
- Exhibit D: Cost and Pricing for IGA Development**
- Exhibit E: Pricing for Project Proposal Development**

Appendices

- Appendix A RFP for ESCO Solicitation (Pre-qualification Phase;
Final Selection Phase)**
- Appendix B ESCO Proposal (Pre-qualification Phase; Final Selection
Phase)**
- Appendix C ESCO Base Contract (including maximum markups)**

RFP for Energy Performance Contracting Services
Attachment F: Investment Grade Audit & Project Proposal Contract

**INVESTMENT GRADE AUDIT AND
PROJECT PROPOSAL CONTRACT**

This Investment Grade Audit & Project Proposal Contract (the "Contract") is made and entered into as of Date, between ESCO Name ("ESCO"), having its principal offices at ESCO Address, and Institution Name and/or name of authorizing Board hereinafter referred to as ("Institution"), Institution Address.

W I T N E S S E T H

WHEREAS, This Contract was created for use of institutions to obtain a Investment Grade Audit of a facility from a private energy service company (ESCO).

WHEREAS, Authority exists in the law for Institution to enter into this contract, and funds have been budgeted, appropriated and otherwise made available; a sufficient unencumbered balance thereof remains available for payment; and the required approval, clearance and coordination have been accomplished from and with appropriate agencies.

WHEREAS, ESCO is a company with experience and technical and management capabilities to provide for the discovery, engineering, procurement, installation, financing, savings guarantee, maintenance and monitoring of energy and water saving measures at facilities similar in size, function and system type to Institution's facilities; and

WHEREAS, ESCO has submitted a ESCO Response, in response to Institution's Request for Proposals (RFP), pertaining to the discovery, engineering, procurement, installation, financing, savings guarantee, maintenance and monitoring of energy and water saving measures at Institution's facilities; and

WHEREAS, Institution has selected ESCO to provide the services described herein; and

WHEREAS, Institution desires to enter into a Contract to have ESCO perform a Investment Grade Audit and Project Proposal to determine the feasibility of entering into an **Energy Savings Performance Contract** to provide for installation and implementation of energy and water saving measures at Institution's facilities.

WHEREAS, if energy and water saving measures are determined to be feasible, and if the amount of savings can be reasonably sufficient to cover all costs, as defined by Institution, associated with an Energy Savings Performance Contracting project, the parties intend to negotiate an Energy Savings Performance Contract under which the ESCO will design, procure, install, implement, maintain and monitor such energy and water saving measures. However, this intent does not commit Institution to entering into such Energy Savings Performance Contract.

THEREFORE, the parties agree as follows:

RFP for Energy Performance Contracting Services
Attachment F: Investment Grade Audit & Project Proposal Contract

1. Investment Grade Audit and Project Proposal Contract

ESCO agrees to perform an Investment Grade Audit in accordance with the Scope of Work described below. ESCO agrees to complete the Investment Grade Audit and tender to Institution a final report within Number of Days –120 days recommended depending on size and complexity of facilities and time needed to review the audit calendar days from the execution of this Contract.

Institution agrees to assist the ESCO in performing the Investment Grade Audit in accordance with the Scope of Work described below. Institution agrees to work diligently to provide full and accurate information. ESCO agrees to work diligently to assess validity of information provided and to confirm or correct the information as needed. The parties contemplate that this will be an iterative process and that Institution will have a reasonable amount of time to review and determine acceptance before issuing the **Notice of Acceptance (Exhibit B: Notice of Acceptance of Investment Grade Audit Report)**.

ESCO agrees to offer an **Energy Savings Performance Contract Proposal** with a package of energy and water saving measures and with details as specified in the Scope of Work below.

2. Compensation to ESCO

ESCO shall be compensated as follows:

- a. **Basis and Maximum Amount.** Except as provided for in **Subsections 2(b), 2(c), or 2(d)** below, within Number of Days: 120 days recommended days after Institution's acceptance of the final **Investment Grade Audit and Project Proposal Contract**, Institution shall pay to ESCO a sum not to exceed Dollar Amount in Words (\$ dollar amount) based on a maximum of square footage to be audited gross square feet at cost per square foot per square foot of audited square-footage, as per **Exhibit D: Cost and Pricing for IGA Development**. Institution shall only pay for square-footage actually audited. Areas deemed by ESCO not to be audited will not be charged to Institution.
- b. **Payment through Performance Contract.** Institution shall have no payment obligations under this contract provided that ESCO and Institution execute an Energy Savings Performance Contract within Number of Days – 120 days suggested, allowing sufficient time for contract negotiation, attorney review, and Institution processing days, after issuance of the **Notice of Acceptance (Exhibit B: Notice of Acceptance of Investment Grade Audit Report)** of the final **Investment Grade Audit and Project Proposal Contract**, but the fee indicated above shall be incorporated into ESCO's project costs in the Energy Savings Performance Contract and paid through the Energy Savings Performance Contract funding mechanisms.
- c. **Project With Insufficient Savings.** Institution shall have no payment obligations under this Contract in the event that ESCO's final **Investment Grade Audit and Project Proposal Contract** does not contain a package of energy and water saving measures which, if implemented and as meeting terms of **Exhibit A: Scope of Work, (b) Guidelines and Requirements**, will provide the Institution with cash savings sufficient to fund Institution's payments of all costs and fees associated with the Energy Savings Performance Contract, including 1) the fee associated with the Investment Grade Audit, 2) all monthly payments on a lease purchase agreement to finance the measures, 3) any annual fees for monitoring and maintenance incurred by the ESCO. Should the ESCO determine at any time during the Investment Grade Audit that savings cannot be attained to meet these terms; the Investment Grade Audit will be terminated by written notice

RFP for Energy Performance Contracting Services
Attachment F: Investment Grade Audit & Project Proposal Contract

by the ESCO to Institution. In this event this Contract shall be cancelled and Institution shall have no obligation to pay, in whole or in part, the amount specified in this **Section 2(a)**.

3. Scope of Work

The Investment Grade Audit and Energy Performance Proposal Contract shall be performed as described in **Exhibit A: Scope of Work**.

4. Termination

This Contract may be terminated at any time as described below by:

a. Termination for Default/Cause

1) Default.

If the ESCO refuses or fails to timely perform any of the provisions of this contract, with such diligence as will ensure its completion within the time specified in this contract, the procurement officer may notify the ESCO in writing of the non-performance, and if not promptly corrected within the time specified, such officer may terminate the ESCO's right to proceed with the contract or such part of the contract as to which there has been delay or a failure to properly perform. The ESCO shall continue performance of the contract to the extent it is not terminated and shall be liable for excess costs incurred in procuring similar goods or services elsewhere.

2) ESCO's Duties

Notwithstanding termination of the contract and subject to any directions from the procurement officer, the ESCO shall take timely, reasonable and necessary action to protect and preserve property in the possession of the ESCO in which the purchasing institution has an interest.

3) Compensation

Payment for completed services delivered and accepted by Institution shall be at the contract price. The purchasing institution may withhold amounts due to the ESCO as the procurement officer deems to be necessary to protect the purchasing institution against loss because of outstanding liens or claims of former lien holders and to reimburse the purchasing institution for the excess costs incurred in procuring similar goods and services.

4) Excuse for Nonperformance or Delayed Performance

The ESCO shall not be in default by reason of any failure in performance of this contract in accordance with its terms if such failure arises out of acts of God; acts of the public enemy; acts of the State and any governmental entity in its sovereign or contractual capacity; fires; floods; epidemics; quarantine restrictions; strikes or other labor disputes; freight embargoes; or unusually severe weather. Upon request of the ESCO, the procurement officer shall ascertain the facts and extent of such failure, and, if such officer determines that any failure to perform was occasioned by any one or more of the excusable causes, and that, but for the excusable cause, the ESCO's progress and performance would have met the terms of the contract, the delivery schedule shall be revised accordingly, subject to the rights of the purchasing institution.

5) Erroneous Termination for Default

If after notice of termination of the ESCO's right to proceed under the provisions of this clause, it is determined for any reason that the ESCO was not in default under the provisions of this clause, or that the delay was excusable, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the termination for convenience clause.

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b. Termination for Convenience

1) Termination

The Institution may, when the interests of the institution so require, terminate this contract in whole or in part, for the convenience of the institution. The Institution shall give written notice of the termination to the ESCO specifying the part of the contract terminated and when termination becomes effective. This in no way implies that the purchasing institution has breached the contract by exercise of the Termination for Convenience Clause.

2) ESCO's Obligations

The ESCO shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the ESCO will stop work to the extent specified. The ESCO shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The ESCO shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The Institution may direct the ESCO to assign the ESCO's right, title, and interest under terminated orders or subcontracts to the purchasing institution. The ESCO must still complete and deliver to the purchasing institution the work not terminated by the Notice of Termination and may incur obligations as are necessary to do so.

3) Compensation

- a)** The ESCO shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data bearing on such claim. If the ESCO fails to file a termination claim within 90 days from the effective date of termination, the Institution may pay the ESCO, if at all, an amount set in accordance with subparagraph C of this Section.
- b)** The Institution and the ESCO may agree to a settlement provided the ESCO has filed a termination claim supported by cost or pricing data and that the settlement does not exceed the total contract price plus settlement costs, reduced by payments previously made by the purchasing institution, the proceeds of any sales of supplies and manufactured materials made under agreement, and the contract price of the work not terminated.
- c)** Absent complete agreement, under subparagraph B of this Section, the Institution shall pay the ESCO the following amounts, provided the payments agreed to under subparagraph B shall not duplicate payments under this subparagraph:
 - (1)** Contract prices for supplies or services accepted under the contract;
 - (2)** Costs incurred in preparing to perform the terminated portion of the work plus a fair and reasonable profit on such portion of the work (such profit shall not include anticipatory profit or consequential damages) less amounts paid to or to be paid for accepted supplies or services; provided, however, that if it appears that the ESCO would have been sustained a loss if the entire contract would have been completed, no profit shall be allowed or included and the amount of compensation shall be reduced to reflect the anticipated rate of loss.
 - (3)** Costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to the ESCO's obligations paragraph of this clause. These costs must not include costs paid in accordance with subparagraph B of this Section.
 - (4)** The reasonable settlement costs of the ESCO including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder, together with reasonable

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storage, transportation, and other costs incurred in connection with the terminated portion of this contract.

- (5) The total sum to be paid the ESCO under this subparagraph C shall not exceed the total contract price plus settlement costs, reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under subparagraph B, and the contract price of work not terminated.
- d) Cost claimed or agreed to under this section shall be in accordance with applicable sections of the State Procurement Code.

c. Available Funds – Contingency - Remedies

The Institution is prohibited by law from making fiscal commitments beyond the term of its current fiscal period. Therefore, ESCO's compensation is contingent upon the continuing availability of institution appropriations.. Payments pursuant to this contract shall only be made from available funds encumbered for this Contract, and the Institution's liability for such payments shall be limited to the amount remaining of such encumbered funds. If institution or federal funds are not appropriated, or otherwise become unavailable to fund this Contract, the Institution may immediately terminate the Contract in whole or in part without further liability in accordance with the Termination for Cause subsection of the Remedies section of this Contract. All payments are subject to the general Remedies section of this Contract.

5. Insurance

Coordinate insurance requirements and amounts of coverage with existing policy amounts and coverages and modify below as needed.

Before commencing any Work under this Contract, ESCO shall file with Institution certificates of insurance evidencing the coverage's as specified below:

INSURANCE INDEMNIFICATION CLAUSE

The Town of East Hartford, CT is to be named as an "**additional insured**" and an additional insured policy endorsement must be submitted with the certificate of insurance and the nature of the project is to be stated on the certificate.

INDEMNIFICATION

A. GENERAL REQUIREMENTS

The **AGENCY** shall be responsible for maintaining insurance coverage in force for the life of this contract of the kinds and adequate amounts to secure all of the **AGENCY** obligations under this contract with an insurance company(ies) with an AM Best Rating of A-VII or better licensed to write such insurance in the State of Connecticut and acceptable to the Town of East Hartford, CT

The insurer shall provide the Town of East Hartford, CT with **Certificates of Insurance signed by an authorized representative of the insurance AGENCY(ies)** prior to the performance of this contract describing the coverage and providing that the insurer shall give the Town of East Hartford, CT written notice at least thirty (30) days in advance of any termination, expiration, or

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any and all changes in coverage. Such insurance or renewals or replacements thereof shall remain in force during the **AGENCY** responsibility under this contracts.

The **AGENCY** at the **AGENCY'S** own cost and expense, shall procure and maintain all insurance required and shall name the Town of East Hartford, CT as Additional Insured on all contracts, except Workers' Compensation and Professional Errors & Omissions coverage's.

B. SPECIFIC REQUIREMENTS:

1) Workers' Compensation Insurance

The **AGENCY** shall provide Statutory Workers' Compensation Insurance, including Employer's Liability with Limits of:

\$100,000 Each Accident
\$500,000 Disease, Policy Limit
\$100,000 Disease, Each Employee

2) Commercial General Liability Insurance

The **AGENCY** shall carry Commercial General Liability Insurance (Insurance Services Officer Incorporated Form CG-0001 or equivalent). As per occurrence limit \$1,000,000 is required. The Aggregate Limit will be not less than \$2,000,000. Any deviations from the standard unendorsed form will be noted on the Certificate of Insurance.

3) Business Automobile Liability Insurance

The **AGENCY** shall carry Business Automobile Liability Insurance (Insurance Services Office Incorporated Form CA-00001 or equivalent). A per occurrence limit of \$1,000,000 is required. "Auto" (symbol 1 or equivalent) is required. Any deviations from the standard unendorsed form will be noted on the Certificate of Insurance.

C. OTHERS: PROFESSIONAL SERVICES – ARCHITECTS, ENGINEERS, ET AL.

The **AGENCY** shall carry Errors & Omissions coverage in the amount \$1,000,000 per occurrence for all **professional services contracts only.**

The Town reserves the right to amend amounts of coverage required and type of coverage provided based on work or service to be performed.

D. SUBCONTRACTOR'S REQUIREMENTS:

The **AGENCY** shall require its subcontractors and independent contractors to carry the coverages set forth in section B and C above and will obtain appropriate Certificates of Insurance before the subcontractors and independent contractors are permitted to begin work.

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The **AGENCY** shall require that the Town of East Hartford, CT be named as Additional Insured on all subcontractors and independent contractors insurance before permitted to begin work.

The **AGENCY** and all subcontractors and independent contractors and their insurers shall waive all rights of subrogation against the Town of East Hartford, CT, and its officers, agents, servants and employees for losses arising from work performed by each on this contract.

6. Energy Savings Performance Contract

The Parties intend to negotiate an Energy Savings Performance Contract under which the ESCO will design, install and implement energy and water saving measures which the Parties have agreed to, and provide certain maintenance and monitoring services. However, nothing in this Contract should be construed as an obligation on any of the Parties to execute such a contract. The terms and provisions of such an Energy Savings Performance Contract will be set forth in a separate contract.

7. Extent of Agreement

- a. This Contract represents the entire and integrated agreement between Institution and ESCO and supersedes all prior negotiations, representations or agreement, either written or oral. This Contract may be amended only by written instrument signed by the Institution.
- b. The Institution and ESCO understand and agree the attachment and exhibits hereto are and shall be an integral part of this Contract and the terms and provisions thereof are hereby incorporated, made a part of and shall supplement those recited herein. In the event of any conflict, or variance, the terms and provisions of this printed Agreement shall supersede, govern and control.

8. Term

The term of this Contract will become effective upon approval by the Controller and acceptance by the Principal Representative. The term shall end number of days plus 15 days to allow for processing of check (suggest 135 days) after signing of the **Notice of Acceptance (Exhibit B: Notice of Acceptance of Investment Grade Audit Report)** of the Final Investment Grade Audit Report by the Principal Representative.

9. Order of Precedence

In the event of conflict or inconsistency between this contract and its exhibits or attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

1. State Special Provisions *These Special Provisions are required for State institution/institution projects.*
2. Contract - general terms and conditions
3. Other exhibits or attachments

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THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

IN WITNESS WHEREOF, and intending to be legally bound, the parties hereto subscribe their names to this Contract on the date first written above.

Institution

By _____
Principal Representative

(Corporate Seal)

ESCO

By: _____

ATTEST

Name

Title

Signature

Address

City, State, Zip

Social Security Number or Federal ID Number

APPROVED:

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EXHIBIT A
Scope of Work

NOTE: It is tempting to develop a prescribed scope of work for the ESCO, detailing exactly what projects the ESCO should undertake in your facilities. This is not recommended, however, because it is very valuable to use the ESCO's technical expertise to help identify and assess the opportunities that are most cost-effective or most valuable for your facilities instead of pre-determining the scope.

a. **Process**

This will be an interactive approach in working with Institution, following these steps:

- 1) Preliminary Assessment of Needs and Opportunities
 - a) Meet with Institution to establish interests, plans, problems, etc. related to facilities and operation of facilities.
 - b) Collect data and background information on buildings, equipment and facilities operation
 - c) Perform a preliminary walk-through of facilities and interview staff and occupants to identify potential measures
 - d) Meet with Institution to present preliminary findings and establish agreement on measures to analyze
- 2) Preliminary Analysis of Measures
 - a) Establish base year consumption and reconcile with end-use consumption estimates
 - b) Conduct a preliminary analysis of potential measures
 - c) Meet with Institution to present preliminary findings and establish agreement on measures to further analyze
 - d) See ENERGY STAR below.
- 3) Further Analysis and Audit Report
 - a) Further analyze measures
 - b) Develop a preliminary Investment Grade Audit Report
 - c) Meet with Institution to present results
 - d) Prepare final Investment Grade Audit Report
- 4) Energy Savings Performance Contract Proposal
 - a) Develop Energy Savings Performance Contract proposal
 - b) Meet with Institution to present results and negotiate final terms

b. **Scope Guidelines and Requirements**

- 1) Energy Savings Performance Contract Term. The Energy Savings Performance Contract Term shall have a term no greater than 15 years and no greater than the cost-weighted average lifetime of the equipment. Institution's goal is for a term no greater than Desired Financing Term years.

NOTE: Refer to legislation where the maximum financing term may be set. A generally recognized maximum is 25 years, as used by the federal government. A typical term is 12-17 years and is governed by financing availability, longevity of

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installed measures, and ability for savings to allow a cash-flow to pay for the desired scope of projects. The ESC recommends not to otherwise restrict the financing term at this stage as it reduces the project potential.

- 2) Annual Guaranteed Energy and Cost Savings. The annual guarantee is required for the entire financing term, however Institution has the option to terminate the guarantee at any time after the first three years of the contract term provided the annual guaranteed energy and cost savings were achieved each prior year. The guarantee is based on cost savings attributable to all energy saving measures, and must equal or exceed all project costs each year during the contract period. Annual project costs include debt service, ESCO fees, maintenance services, monitoring services, and other services.
- 3) ESCO shall reserve up to 2% of annually guaranteed savings for Institution to hire an independent third-party professional to review the ESCO's monitoring and verification reports and advise Institution of compliance in monitoring and verifying savings.
- 4) Excess Savings. Annual cost savings beyond the guaranteed minimum savings will be retained by Institution, and will not be allocated to shortfalls in other years.
- 5) Annual Savings Estimates: The annual savings estimates for all measures must be estimated for each year during the contract period.
- 6) Allowable cost and savings factors approved for consideration.: Institution will provide ESCO with sufficient guidance to develop savings estimates.
 - a) Payment sources that can be incorporated:
 1. Energy and water cost savings
 2. Material/commodity savings, including scheduled replacement of parts (only for years that these cost savings are applicable)
 3. Outside labor cost savings, including maintenance contracts
 4. In-house labor costs
 5. Deferred maintenance cost
 6. Offset of future capital cost
 7. Outside incentive funds (utility incentives, grants, etc.)
 8. Any savings related to maintenance and operation of the facilities will be limited to those that can be thoroughly documented.
 - b) Payment sources that may also be considered and negotiated:
 - c) Additional factors related to establishing savings that cover all costs:
 1. Escalation rates that apply to each payment source. These are rates to be used in cash flow projections for project development purposes. NOTE: Use federal government guidelines on utility escalation rates to ensure reasonableness.
 2. Interest rates (municipal tax-exempt rates for public institutions)
 3. Institution cash outlay (Institution's sole discretion)
 - d) The markup costs are presented in **Exhibit D: Cost and Pricing for IGA Development**. These rates will be used in the Investment Grade Audit and subsequent Energy Savings Performance Contract.
- c. **Collect data and background information from Institution** concerning facility operation and energy use for the most recent three years from the effective date of this Contract as follows.

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- 1) Building square footage.
- 2) Construction data of buildings and major additions including building envelope
- 3) Utility company invoices
- 4) Occupancy and usage information
- 5) Description of all energy-consuming or energy-saving equipment used on the premises, as available.
- 6) Description of energy management procedures utilized on the premises
- 7) Description of any energy-related improvements made or currently being implemented
- 8) Description of any changes in the structure of the facility or energy-using or water-using equipment
- 9) Description of future plans regarding building modifications or equipment modifications and replacements
- 10) Drawings, as available (may include mechanical, plumbing, electrical, building automation and temperature controls, structural, architectural, modifications and remodels)
- 11) Original construction submittals and factory data (specifications, pump curves, etc.), as available
- 12) Operating engineer logs, maintenance work orders, etc., as available
- 13) Records of maintenance expenditures on energy-using equipment, including service contracts
- 14) Prior energy audits or studies, if any

Institution agrees to work diligently to furnish ESCO, upon request, accurate and complete data and information as available. Where information is not available from Institution, ESCO will make a diligent effort to collect such information through the facility inspection, staff interviews, and utility companies.

ESCO agrees to work diligently to assess validity of information provided and to confirm or correct the information as needed.

d. Identify potential measures

- 1) Interview the facility manager, maintenance staff, subcontractors and occupants of each building regarding:
 - a) Facility operation, including energy management procedures
 - b) Equipment maintenance problems
 - c) Comfort problems and requirements
 - d) Equipment reliability
 - e) Projected equipment needs
 - f) Occupancy and use schedules for the facility and specific equipment.
 - g) Facility improvements – past, planned and desired
- 2) Survey major energy-using equipment, including lighting (indoor and outdoor), heating and heat distribution systems, cooling systems and related equipment, automatic temperature control systems and equipment, air distribution systems and equipment, outdoor ventilation systems and equipment; exhaust systems and equipment; hot water systems, electric motors, transmission and drive systems, special systems (kitchen/dining equipment, etc.), renewable energy systems, other energy using systems, water consuming systems (restroom fixtures, water fountains, irrigation systems, etc.)

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- 3) Perform "late-night" surveys outside of normal business hours or on weekends to confirm building system and occupancy schedules, if deemed necessary.
- 4) Develop a preliminary list of potential energy and water saving measures. Consider the following for each system:
 - a) Comfort and maintenance problems
 - b) Energy use, loads, proper sizing, efficiencies and hours of operation
 - c) Current operating condition
 - d) Remaining useful life
 - e) Feasibility of system replacement
 - f) Hazardous materials and other environmental concerns
 - g) Institution's future plans for equipment replacement or building renovations
 - h) Facility operation and maintenance procedures that could be affected
 - i) Capability to monitor energy performance and verify savings

Institution will allow ESCO reasonable access to facility staff to ensure understanding of existing systems and opportunities.

ESCO agrees to work diligently to assess validity of information provided and to confirm or correct the information as needed.

e. **Establish base year consumption and reconcile with end use consumption estimates.**

- 1) Establish base year consumption by examining utility bills for the past three years for electricity, gas, steam, water, etc. Present base year consumption in terms of energy units (kWh, kW, ccf, Therms, gallons, or other units used in bills), in terms of dollars, and in terms of dollars per square foot. Describe the process used to determine the base year (averaging, selecting most representative contiguous 12 months, etc.). Consult with facility personnel to account for any anomalous schedule or operating conditions on billings that could skew the base year representation. ESCO will account for periods of time when equipment was broken or malfunctioning in calculating the base year.
- 2) Estimate loading, usage and/or hours of operation for all major end uses of total facility consumption including, but not limited to: lighting, heating, cooling, motors (fans and pumps), plug loads, and other major energy and water using equipment. Where loading or usage are highly uncertain (including variable loads such as cooling), ESCO will use its best judgment, spot measurements or short-term monitoring. ESCO should not assume that equipment run hours equal the operating hours of the building(s) or facility staff estimates.
- 3) Reconcile annual end-use estimated consumption with the annual base year consumption. This reconciliation will place reasonable "real-world" limits on potential savings.
- 4) Propose adjustments to the baseline for energy and water saving measures that will be implemented in the future.

f. **Develop a preliminary analysis of potential energy and water saving measures.**

This list shall be compiled and submitted to Institution within 90 calendar days of the execution of this Contract.

- 1) List all potential opportunities, whether cost-effective or not. Consider technologies in a comprehensive approach including, but not limited to: lighting systems, heating/ventilating/air conditioning equipment and distribution systems, controls systems,

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- building envelope, motors, kitchen equipment, pools, renewable energy systems, other special equipment, irrigation systems, and water saving devices.
- 2) Identify measures which appear likely to be cost effective and therefore warrant detailed analysis
 - 3) For each measure, prepare a preliminary estimate of energy or water cost savings including description of analysis methodology, supporting calculations and assumptions used to estimate savings.
- g. **Meet with Institution to present preliminary findings** prior to thorough analysis. Describe how the projected project economics meet the Institution's terms for completing the Investment Grade Audit and Proposal Contract. Discuss assessment of energy use, savings potential, project opportunities, and potential for developing an Energy Savings Performance Contract. Develop a list of recommended measures for further analysis. The Institution shall have the option to reject calculations of savings, potential savings allowed, or project recommendations.
- h. **Analyze savings and costs for each energy and water saving measure.**
- 1) Follow the methodology of ASHRAE or other nationally-recognized authority following the engineering principle(s) identified for each retrofit option
 - 2) Utilize assumptions, projections and baselines which best represent the true value of future energy or operational savings. Include accurate marginal costs for each unit of savings at the time the audit is performed, documentation of material and labor cost savings, adjustments to the baseline to reflect current conditions at the facility, calculations which account for the interactive effects of the recommended measures.
 - 3) Use best judgment regarding the employment of instrumentation and recording durations so as to achieve an accurate and faithful characterization of energy use
 - 4) Use markups and fees stated above in all cost estimates.
 - 5) Develop a preliminary measurement and verification plan for each measure
 - 6) Follow additional guidelines for analysis and report preparation given below
 - 7) Include cost to provide services and complete application for Energy Star Label, LEED-EB certification for Existing Buildings, or other certification. Also include cost for EPA's Tools for Schools or other such program related to improved air quality.
- i. **Prepare a preliminary Investment Grade Audit Report.** The report provides an engineering and economic basis for negotiating a potential Energy Savings Performance Contract between the Institution and the ESCO. The report shall be completed within **90** calendar days of the date of execution of this Contract. The report shall include:
- 1) Overview
 - a) Contact information
 - b) Summary table of recommended energy and water saving measures, with itemization for each measure of total design and construction cost, annual maintenance costs, the first year cost avoidance (in dollars and energy units), simple payback and equipment service life
 - c) Summary of annual energy and water use by fuel type and costs of existing or base year condition
 - d) Calculation of cost savings expected if all recommended measures are implemented, and total percentage savings of total facility energy cost.
 - e) Description of the existing facility, mechanical and electrical systems

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- f) Summary description of measures, including estimated costs and savings for each as detailed above
 - g) Discussion of measures considered but not investigated in detail
 - h) Conclusions and recommendations
- 2) Base year energy use
- a) Description and itemization of current billing rates, including schedules and riders.
 - b) Summary of all utility bills for all fuel types and water
 - c) Identification and definition of base year consumption and description of how established
 - d) Reconciliation of estimated end use consumption (i.e. lighting, cooling, heating, fans, plug loads, etc) with base year (include discussion of any unusual findings)
- 3) Full description of each energy and water saving measure including:
- a) Written description
 - (1) Existing conditions
 - (2) Description of equipment to be installed and how it will function
 - (3) Include discussion of facility operations and maintenance procedures that will be affected by installation/implementation.
 - (4) Present the plan for installing or implementing the recommendation.
 - b) Savings calculations
 - (1) Base year energy use and cost
 - (2) Post-retrofit energy use and cost
 - (3) Savings estimates including analysis methodology, supporting calculations and assumptions used.
 - (4) Annual savings estimates. The cost savings for all energy saving measures must be estimated for each year during the contract period. Savings must be able to be achieved each year (cannot report average annual savings over the term of the contract).
 - (5) Savings estimates must be limited to savings allowed by the Institution as described above.
 - (6) Percent cost-avoidance projected
 - (7) Description and calculations for any proposed rate changes
 - (8) Explanation of how savings interactions between retrofit options is accounted for in calculations.
 - (9) Operation and maintenance savings, including detailed calculations and description. Ensure that maintenance savings are only applied in the applicable years and only during the lifetime of the particular equipment.
 - (10) If computer simulation is used, include a short description and state key input data. If requested by Institution, access will be provided to the program and all assumptions and inputs used, and/or printouts shall be provided of all input files and important output files and included in the Investment Grade Audit with documentation that explains how the final savings figures are derived from the simulation program output printouts
 - (11) If manual calculations are employed, formulas, assumptions and key data shall be stated.
 - (12) Conclusions, observations, caveats
 - c) Cost estimate -- detailed scope of the construction work needed, suitable for cost estimating. Include all anticipated costs associated with installation and

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implementation. Provide specifications for major mechanical components as well as detailed lighting and water fixture counts.

- (1) Engineering/design costs
- (2) ESCO/vendor estimates for labor, materials, and equipment; include special provisions, overtime, etc., as needed to accomplish the work with minimum disruption to the operations of the facilities.
- (3) Permit costs
- (4) Construction management fees
- (5) Environmental costs or benefits (disposal, avoided emissions, handling of hazardous materials, etc.)
- (6) Note that all markups and fees stated in this Contract shall be used in the cost estimates, unless otherwise documented and justified due to change in scope or size of project or other unforeseen circumstances.
- (7) Conclusions, observations, caveats
- (8) Other cost categories as defined above under “markups” in Section 3b above.

d) Other

- (1) Estimate of average useful service life of equipment
- (2) Preliminary commissioning plan (as outlined in **Energy Savings Performance Contract – Schedules**)
- (3) Preliminary measurement and verification plan, following the International Performance Measurement and Verification Protocol (IPMVP), explaining how savings from each measure is to be measured and verified (stipulated by Contract, utility bill analysis, end-use measurement and calculation, etc.). The Preliminary M&V plan shall follow the format provided in **Exhibit C: Savings Measurement and Verification Plan**.
- (4) Discussion of impacts that facility would incur after contract ends. Consider operation and maintenance impacts, staffing impacts, budget impacts, etc., and identify who is responsible for maintenance.
- (5) Compatibility with existing systems. NOTE: Include the name of the existing controls system, if new controls systems will have to be compatible with an existing brand of controls. Also note if a sole-source vendor is established for controls systems.
- (6) Complete appendices that document the data used to prepare the analyses. Describe how data were collected.

j. **Meet with Institution** to:

Review the recommendations, savings calculations and impact of the measures on the operations of the facility. Describe how the projected project economics meet the Institution’s terms for completing the Investment Grade Audit and Performance Contract Proposal. Discuss the willingness and capability of Institution to make capital contributions to the project to improve the economics of the overall project.

k. **Revise Audit as directed by Institution**.

l. **Prepare an Energy Savings Performance Contract Proposal (Term Sheet)**. In anticipation of ESCO and Institution entering into an Energy Savings Performance Contract to design, install, and monitor the energy and water saving measures proposed in the

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Investment Grade Audit Report, ESCO shall prepare a proposal for terms to be incorporated in a Energy Savings Performance Contract to include:

- 1) Project Price is the total amount Institution will pay for the project and ESCO's services. The price must be consistent with maximum markups, margins and fees established in **D: Cost and Pricing for IGA Development** and the pricing margins established in **Exhibit E: Pricing for Project Proposal Development**. Costs may include but are not limited to: engineering, designing, packaging, procuring, installing (from Investment Grade Audit Report results); performance/payment bond costs; construction management fees; commissioning costs; maintenance fees; monitoring fees; training fees; legal services; overhead and profit; other markups.
 - 2) Include a List of Services that will be provided as related to each cost.
 - 3) Expected term of the Energy Savings Performance Contract.
 - 4) Description of how the project will be financed including available interest rates and financing terms, based on interest rates likely available to Institution at this time, and based on a 60-day and 90-day lock option.
 - 5) Explanation of how the savings will be calculated and adjusted due to weather (such as heating and cooling degree days), occupancy or other factors. Monitoring and verification methods must be consistent with the latest version of the *International Performance Monitoring and Verification Protocol* and **Exhibit C: Savings Measurement and Verification Plan**.
 - 6) Analysis of annual cash flow for Institution during the contract term.
- m. **Utilize ENERGY STAR Tools** ESCO shall provide a Portfolio Manager rating and energy performance target score estimate. For each eligible building, ESCO shall provide a pre-retrofit Energy Performance Rating using EPA ENERGY STAR's Portfolio Manager, the weather normalized energy intensity in kBtu/SF, and an estimated post-retrofit Energy Performance Rating. If the building type is not eligible for rating in Portfolio Manager, then the normalized source EUI will suffice. ESCO shall provide a completed Cash Flow Opportunity Calculator (CFO Calculator) for the project, with variables inserted that represent the most likely options available to the customer. This will enable the ESCO and the customer to have an agreed-upon format for discussing project financing options and the potential costs of project delays. The CFO Calculator will be provided in both hard copy and electronic format, so that the agency can run its own analyses on financing options in the agreed format. ESCO will submit a completed Cash Flow Opportunity spreadsheet using the Cash Flow Opportunity Calculator (CFO Calculator) for the total project which shall include all facilities to be improved.

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EXHIBIT B
Notice of Acceptance of Investment Grade Audit Report

Notice of Acceptance

Date of Notice _____

Notice is hereby given that ***Institution*** accepts the Investment Grade Audit and Project Development Proposal by ESCO, as contemplated in **Section 2 of the Investment Grade Audit and Project Proposal Contract** dated _____.

Town of East Hartford

By _____

Date

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EXHIBIT C
SAVINGS MEASUREMENT AND VERIFICATION PLAN

Prepare the M&V Plan as outlined below.

List of Processes and Tables:

Risk, Responsibility and Performance Matrix.

M&V Plan and Savings Calculation Methods

- Proposed Annual Savings Overview
- Site Use and Savings Overview (Optional)
- M&V Plan Summary
- Schedule of Verification Reporting Activities
- Proposed Annual Savings For ECM
- Expected Year 1 Savings for ECM
- ENERGY STAR Ratings

Risk, Responsibility and Performance Matrix.

The ESCO shall complete and include the matrix below to summarize the allocation of responsibility for key items related to M&V.

RISK, RESPONSIBILITY AND PERFORMANCE MATRIX

RESPONSIBILITY/DESCRIPTION	CONTRACTOR PROPOSED APPROACH
1. Financial	
a. Interest rates: Neither the contractor nor the Institution has significant control over prevailing interest rates. Higher interest rates will increase project cost, financing/project term, or both. The timing of the TO signing may impact the available interest rate and project cost.	
b. Construction costs: The contractor is responsible for determining construction costs and defining a budget. In a fixed-price design/build contract, the Institution assumes little responsibility for cost overruns. However, if construction estimates are significantly greater than originally assumed, the contractor may find that the project or measure is no longer viable and drop it before TO award. In any design/build contract, the Institution loses some design control. Clarify design standards and the design approval process (including changes) and how costs will be reviewed.	
c. M&V confidence: The Institution assumes the responsibility to determine the confidence that it desires to have in the M&V program and energy savings determinations. The desired confidence will be reflected in the resources required for the M&V program, and the ESCO must consider the requirement prior to submittal of the final proposal. Clarify how project savings are being verified (e.g., equipment performance, operational factors, energy use) and the impact on M&V costs.	

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<p>d. Energy Related Cost Savings: The Institution and the contractor may agree that the project will include savings from <i>recurring</i> and/or <i>one-time</i> costs. This may include one-time savings from avoided expenditures for projects that were appropriated but will no longer be necessary. Including one-time cost savings before the money has been appropriated may involve some risk to the Institution. Recurring savings generally result from reduced O&M expenses or reduced water consumption. These O&M and water savings must be based on actual spending reductions. Clarify sources of non-energy cost savings and how they will be verified.</p>	
<p>e. Delays: Both the contractor and the Institution can cause delays. Failure to implement a viable project in a timely manner costs the Institution in the form of lost savings, and can add cost to the project (e.g., construction interest, re-mobilization). Clarify schedule and how delays will be handled.</p>	
<p>f. Major changes in facility: The Institution controls major changes in facility use, including closure. Clarify responsibilities in the event of a premature facility closure, loss of funding, or other major change.</p>	
<p>2. Operational</p>	
<p>a. Operating hours: The Institution generally has control over operating hours. Increases and decreases in operating hours can show up as increases or decreases in “savings” depending on the M&V method (e.g., operating hours multiplied by improved efficiency of equipment vs. whole-building/utility bill analysis). Clarify whether operating hours are to be measured or stipulated and what the impact will be if they change. If the operating hours are stipulated, the baseline should be carefully documented and agreed to by both parties.</p>	
<p>b. Load: Equipment loads can change over time. The Institution generally has control over hours of operation, conditioned floor area, intensity of use (e.g., changes in occupancy or level of automation). Changes in load can show up as increases or decreases in “savings” depending on the M&V method. Clarify whether equipment loads are to be measured or stipulated and what the impact will be if they change. If the equipment loads are stipulated, the baseline should be carefully documented and agreed to by both parties.</p>	
<p>c. Weather: A number of energy efficiency measures are affected by weather. Neither the contractor nor the Institution has control over the weather. Should the Institution agree to accept risk for weather fluctuations, it shall be contingent upon aggregate payments not exceeding aggregate savings. Clearly specify how weather corrections will be performed.</p>	
<p>d. User participation: Many energy conservation measures require user participation to generate savings (e.g., control settings). The savings can be variable and the contractor may be unwilling to invest in these measures. Clarify what degree of user participation is needed and utilize monitoring and training to mitigate risk. If performance is stipulated, document and review assumptions carefully and consider M&V to confirm the capacity to save (e.g., confirm that the controls are functioning properly).</p>	
<p>3. Performance</p>	
<p>a. Equipment performance: The contractor has control over the selection of equipment and is responsible for its proper installation, commissioning, and performance. The contractor has responsibility to demonstrate that the new improvements meet expected performance levels including specified equipment capacity, standards of service, and efficiency. Clarify who is responsible for initial and long-term performance, how it will be verified, and what will be done if performance does not meet expectations.</p>	

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SITE USE AND SAVINGS OVERVIEW

	Total energy savings (MBtu/yr)	Electric energy savings (kWh/yr)	Electric demand savings (kW/yr)*	Natural gas savings (MBtu/yr)**	Water savings (gallons/yr)	Other energy savings (MBtu/yr)**
Total proposed project savings						
Usage for entire site**						
% Total site usage saved						
Project square footage (KSF)						
Project square footage (KSF)						
Total site square footage (KSF)						
% Total site area affected						
Notes MBtu=10 ⁶ Btu *Annual electric demand savings (kW/yr) is the sum of the monthly demand savings. **If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh). ***Define usage period. KSF = 10 ³ square feet.						

M&V PLAN SUMMARY

ECM No.	ECM Description	M&V Option Used*	Summary of M&V Plan

*M&V options include A, B, C, and D of the International Performance Measurement and Verification Protocol (IPMVP).

SCHEDULE OF VERIFICATION REPORTING ACTIVITIES

Item	^a Recommended time of submission	^a Institution's review and acceptance period
Post-Installation Report	30 to 60 days after acceptance	30 days
Annual Report	30 to 60 days after annual performance period	30 days

^aTimes are recommended based on industry practice; modify as needed.

PROPOSED ANNUAL SAVINGS FOR EACH ECM

[Include all applicable fuels/commodities for project, such as: electric energy, electric demand, natural gas, fuel oil, coal, water, etc.]

	Total energy use (MBtu/yr)	Electric energy use (kWh/yr)	Electric energy cost, Year 1 (\$/yr)	Electric demand* (kW/yr)	Electric demand cost, Year 1 (\$/yr)	Natural gas use (MBtu/yr)**	Natural gas cost, Year 1 (\$/yr)	Water use (gallons/yr)	Water cost, Year 1 (\$/yr)	Other energy use (MBtu/yr)**	Other energy cost, Year 1 (\$/yr)	Other energy-related O&M costs, Year 1 (\$/yr)	Total costs, Year 1 (\$/yr)
Baseline use													
Post-													

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installation use													
Savings													
<p>b. Notes</p> <p>*Annual electric demand savings (kW/yr) is the sum of the monthly demand savings. MBtu = 10⁹ Btu. **If energy is reported in units other than MBtu, provide a conversion factor to MBtu for link to cost schedules (e.g., 0.003413 MBtu/kWh).</p>													

ECM-SPECIFIC M&V PLAN AND SAVINGS CALCULATION METHODS

Develop section for each ECM.

- Summarize the scope of work, location, and how cost savings are generated. Describe source of all savings including energy, water, O&M, and other (if applicable).
- Specify the M&V guideline and option used from the International Performance Measurement and Verification Protocol (IPMVP).
- Provide an overview of M&V Activities for ECM. Explain intent of M&V plan, including what is being verified.
- Provide an overview of savings calculations methods for ECM. Provide a general description of analysis methods used for savings calculations.

Proposed Energy and Water Savings Calculations and Methodology

- Provide detail description of analysis methodology used. Describe any data manipulation or analysis that was conducted prior to applying savings calculations.
- Detail all assumptions and sources of data, including all stipulated values used in calculations.
- Include equations and technical details of all calculations made. (Use appendix and electronic format as necessary.) Include description of data format (headings, units, etc.).
- Details of any savings or baseline adjustments that may be required.
- Detail energy and water rates used to calculate cost savings. Provide post-acceptance performance period energy and water rate adjustment factors.
- Detail proposed savings for this energy conservation measure for post-acceptance performance period. Include table - Proposed Annual Savings for Each ECM.

Operations and Maintenance Cost Savings

- Provide justification for O&M cost savings. Describe how savings are generated. Detail cost savings calculations.
- Provide post-acceptance performance period other cost savings adjustment factors.

Details of other savings (if applicable)

- Provide justification for cost savings. Describe how savings are generated. Detail cost savings calculations.
- Provide post-acceptance performance period other cost savings adjustment factors.

Post-Installation M&V Activities - Describe the intent of post-installation verification activities, including what will be verified.

- Describe variables affecting post-installation energy or water use. Include variables such as weather, operating hours, set point changes, etc. Describe how each variable will be

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quantified, i.e., measurements, monitoring, assumptions, manufacturer data, maintenance logs, engineering resources, etc.

- Define key system performance factors characterizing the post-installation conditions such as lighting intensities, temperature set points, etc.
- Define requirements for Institution witnessing of measurements if different than whole project data requirements.
- Provide details of post-installation data to be collected, including: Parameters to be monitored, Details of equipment to be monitored (location, type, model, quantity, etc.), Sampling plan, including details of usage groups and sample sizes, Duration, frequency, interval, and seasonal or other requirements of measurements, Monitoring equipment to be used, Installation requirements for monitoring equipment, Calibration requirements/procedures, Expected accuracy of measurements/monitoring equipment, Quality control procedures to be used, Form of data to be collected (.xls, .csv, etc.), Sample data collection forms (optional)
- Detail data analysis to be performed.

Post-Acceptance Performance Period Verification Activities

- Describe variables affecting post-acceptance performance period energy or water use. Include variables such as weather, operating hours, set point changes, etc. Describe how each variable will be quantified, i.e., measurements, monitoring, assumptions, manufacturer data, maintenance logs, engineering resources, etc.
- Define key system performance factors characterizing the post-acceptance performance period conditions. Include factors such as comfort conditions, lighting intensities, temperature set points, etc.
- Describe the intent of post-acceptance performance period verification activities – what will be verified.
- Provide detailed schedule of post-acceptance performance period verification activities and inspections.
- Define requirements for Institution witnessing of measurements if different than whole project data requirements.
- Provide details of post-acceptance performance period data to be collected, including: Parameters to be monitored, Details of equipment to be monitored (location, type, model, quantity, etc.), Sampling plan, including details of usage groups and sample sizes, Duration, frequency, interval, and seasonal or other requirements of measurements, Monitoring equipment to be used, Installation requirements for monitoring equipment, Calibration requirements/procedures, Expected accuracy of measurements/monitoring equipment, Quality control procedures to be used, Form of data to be collected (.xls, .csv, etc.), Sample data collection forms (optional)
- Detail data analysis to be performed.
- Define O&M and repair reporting requirements. Detail verification activities and reporting responsibilities of Institution and contractor on operations and maintenance items. Define reporting schedule.

ENERGY STAR: For each building included in the project, ESCO will provide a Portfolio Manager rating. Also, for applicable buildings, ESCO includes the cost to provide services and complete the annual application for a building ENERGY STAR label. ESCO shall provide a Portfolio Manager rating and energy performance target score estimate. For each eligible building, ESCO shall provide a

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pre-retrofit Energy Performance Rating using EPA ENERGY STAR's Portfolio Manager, the weather normalized energy intensity in kBtu/SF, and an estimated post-retrofit Energy Performance Rating. If the building type is not eligible for rating in Portfolio Manager, then the normalized source EUI will suffice. ESCO shall provide a completed Cash Flow Opportunity Calculator (CFO Calculator) for the project, with variables inserted that represent the most likely options available to the customer. This will enable the ESCO and the customer to have an agreed-upon format for discussing project financing options and the potential costs of project delays. The CFO Calculator will be provided in both hard copy and electronic format, so that the agency can run its own analyses on financing options in the agreed format. ESCO will submit a completed Cash Flow Opportunity spreadsheet using the Cash Flow Opportunity Calculator (CFO Calculator) for the total project which shall include all facilities to be improved.

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EXHIBIT D
Cost and Pricing for IGA Development

Where a prior RFP required cost and pricing information, the response is repeated below or else negotiated with respect to the agreed maximums.

Institutions may choose to accept audit costs, markups, margins and fees proposed by ESCO for individual projects without further negotiation, provided they do not exceed the maximums established in the tables above, or directly negotiate with ESCO for reductions as dictated by individual facility or project requirements. ESCO may also propose lower audit costs, markups, margins and fees depending upon individual project considerations or their own internal business approach.

Cost Markups

Provide your company's markups in the table below for each category listed. Markups represent a percentage added to the base cost for the project (excluding the cost of the audit).

This format is required and must be completed in its entirety. Use only the categories shown. Ranges for markups are not acceptable.

Clearly describe how self-performed work will be charged (billed hourly, billed as a markup of equipment and labor costs, etc.). If self-performed work will be billed hourly, include markups proposed to be applied to the hourly rate.

Construction Costs	<i>Maximum Markup above actual costs (if any)</i>
Subcontractor Costs (Contractor Costs to ESCO)	
Other Direct Purchases of Equipment, Material, Supplies by the ESCO (do not include subcontractor supplied purchases as they should be included above)	
Design (state at right whether this shall be completed by the ESCO or subcontracted)	
Project Management (state at right whether this shall be completed by the ESCO or subcontracted)	
Commissioning (state at right whether this shall be completed by the ESCO or subcontracted)	
Training (state at right whether this shall be completed by the ESCO or subcontracted)	
Construction Measurement and Verification (state at right whether this shall be completed by the ESCO or subcontracted)	
Permits (markup allowed only if permits are acquired by ESCO)	
Performance Bond	

Project Margins

In the table below provide the margins that will be applied to the project. Margins represent the percentage of the total price.

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Project Margin	Maximum % Margin
Overhead Percent	
Profit Percent	

If a proposal is from a joint venture partnership, include proposed maximum allowable markups in the schedule format above for each participating company.

Audit Fee

Below is the fee to conduct the Investment Grade Audit and Project Development Proposal, on a cost per square foot basis and total price.

		Proposed Max cost per sf
	Investment Grade Audit and Project Proposal	\$/sf Total \$

Other Fees

For each category describe how that annual cost is determined, how the fee is charged to the project and when it is applied. Markups on fees are not allowable under the SEO/EPCP.

Annual Cost Category	How Price is Determined	Years Applied (One-time, Annual, etc.)
Warranty		
Post-Retrofit Measurement & Verification		
Maintenance		
Other:		
Other:		
Other:		

Contingency

Describe your company's typical level of contingency budget for lighting, electrical, mechanical, controls projects, and other projects and how it proposes to apply contingency to cover changes in work scope and subcontractor change orders. All unused contingency funds will revert to the Institution or be applied to additional work scope through a change order approved by the Institution.

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EXHIBIT E
Pricing for Project Proposal Development

The below schedule is a deliverable that summarizes the pricing structure and the proposed project costs and price. Note that the base construction costs are presented in terms of margins for the purpose of the project proposal development, whereas they are represented as markups in **Exhibit D: Pricing for Project Proposal Development** for use in developing the IGA.

		Project Budget	Percent of Total Project Price	Price/ Cost
		Base Construction Costs		
	a	Subcontractor Costs (Contractor Costs to ESCO)		
	b	Other Direct Purchases of Equipment, Material, Supplies (Supplier Costs to ESCO)		
	c	Design		
	d	Project Management		
	e	Permits		
	f	Performance Bond		
	g	Commissioning		
	h	Training		
	i	Construction Measurement and Verification		
sum (a:i)	j	Sum Project Direct Costs		
	k	Overhead Percent		
	l	Profit Percent		
Sum (j:l)	m	PROJECT PRICE SUB TOTAL w/OH &P		
	n	Technical Energy Audit and Project Proposal		
	o	Contingency		
Sum (m:o)	p	TOTAL PROJECT PRICE		

Annual Costing

Provide a price for all annual services not included above including but not limited to Warranty, Measurement and Verification, and Maintenance below.

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CATEGORY OF ANNUAL COST	How Price is Determined	Years Applied (One-time, Annual, etc.)
Warranty		
Measurement and Verification		
Maintenance		
Other:		