

City of Lancaster, Ohio

Request for Qualifications: Energy Conservation Measures

Issue Date: August 1, 2014
Submission Due: October 3, 2014

Contact Person:
Brian Kuhn, SSD
104 E. Main Street, Room 104
Lancaster, Ohio 43130
Phone: (740) 687-6698
Email: servicedirector@ci.lancaster.oh.us

I. OVERVIEW

The City of Lancaster, Ohio (the "City") is seeking qualifications from firms interested in the identification and installation of energy conservation measures on a guaranteed performance-contracting basis pursuant to R.C. 717.02 (the "RFQ"). The City's ultimate goal is to select a partner that will provide the design, implementation, project management, financing, performance monitoring and verification, and ongoing first party performance guarantee of energy efficient improvements.

The City intends to evaluate and, **if deemed appropriate**, award a negotiated contract to one firm to provide an energy conservation report pursuant to R.C. 717.02(B). The City will then use that report to define the scope of services to be provided. While an RFQ is the first step in working towards a contract, subsequent steps must be completed prior to initiating a contract with the City.

A. WHO MAY APPLY

This RFQ is open to any architect, professional engineer, energy services company, contractor, or other firm experienced in the design and implementation of energy conservation measures for an energy conservation report.

Any firm who is interested in responding to this RFQ, or otherwise receiving additional information, must register with the City by emailing Service-Safety Director Brian Kuhn (the RFQ contact listed in Section III(D) below) **no later than August 29, 2014**. All respondents shall provide a valid email address as part of the registration process.

B. NO COST TO THE CITY

ALL RFQ RESPONSES WILL BE PREPARED AND SUBMITTED AT NO COST TO THE CITY.

C. SAVINGS GUARANTEE

Respondents shall provide a written guarantee, pursuant to R.C. 717.02(C)(2)(c), that the amount of money spent on energy conservation measures is not likely to exceed the amount of money the City would save in energy, operating, maintenance, and avoided capital costs over the average system life of the energy conservation measures as specified in the RFQ. The guarantee shall be monitored monthly and reconciled on an annual basis, commencing one year from the date of completion of installation. In the event that the actual savings are less than the guaranteed savings, Respondent shall make a cash payment to the City in the amount of the difference within 30 days of the reconciliation date. The guarantee shall be a first party direct guarantee from the respondent to the City. A third-party guarantee or performance bond in lieu of the guarantee is not acceptable.

D. SUBMISSION DATE

All RFQ responses must be delivered to the City **on or before October 3, 2014**. Any responses received by the City after that date will not be considered. Responses shall be submitted in writing to the contact person listed in Section III(D) below.

E. QUESTIONS IN WRITING

All questions regarding this RFQ shall be submitted in writing to Service-Safety Director Brian Kuhn (the contact person listed in Section III(D) below). The City will reply to all properly submitted questions in writing, and the reply will be sent by email to all firms who have registered with the City pursuant to Section I(A) above.

II. EXPERIENCE AND QUALIFICATIONS

The following are the minimum qualifications required to respond to this RFQ:

1. Respondents must have a current professional or contractor's license issued by the State of Ohio, and must have been working in the State of Ohio under that license for a minimum of two years from the date of issuance of this RFQ. If partnering with another firm, both firms must comply with this mandate.
2. Any engineering and technical support staff that will be directly engaged in the project referenced in the RFQ must possess training and experience specific in current technical practices and techniques in the field of utility cost reduction and building operations. Engineering services must be available in the field of heating, ventilation, and air conditioning systems, interior and exterior lighting, integrated HVAC and lighting control systems, domestic and heating water delivery system, utility service cost control, maintenance planning and execution, customer service, value engineering, and training and project commissioning. Respondents should have a sufficient number of completed projects within the last three years that can demonstrate the ability and skill in establishing and maintaining mutually beneficial partnerships with customers.
3. Respondents must provide repair services that are available 24 hours a day with a maximum response time of two hours for any "owner defined critical systems"; and
4. Respondents must employ at least one professional engineer licensed in the State of Ohio from the date of issuance of this RFQ.

III. TERMS AND SUBSEQUENT CONTRACT

A. REQUIRED DOCUMENTS

The following information must be included in the RFQ response:

1. Ohio Workers' Compensation Certificate;
2. Certificate of insurance and copy of additional insured endorsement (the City reserves the right to request a certified copy of an insurance policy);
3. If the respondent is not registered to do business under the laws of the State of Ohio, the respondent shall provide a certificate of good standing from the Ohio Secretary of State showing their qualifications to do business in this state or, if the respondent is a person or partnership, their filing with the Ohio Secretary of State showing the appointment of a statutory agent for the purpose of accepting legal process;
4. The printed name and original signature of an officer or principal of the firm (all signatures must be original). The same procedure shall apply to the submission of a joint venture, except that the signature and title of an officer or a principal of each member firm of the joint venture shall be required; and
5. If an individual other than an officer or principal has been granted signature authority on behalf of the bidding firm, the respondent shall submit a delegation of authority statement with their response.

B. STANDARD CONTRACT INFORMATION

THE CITY RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS, IN PART OR IN WHOLE, IN THE EXERCISE OF ITS SOLE DISCRETION. BID PRICES SHALL NOT ALONE BE THE DETERMINING FACTOR IN SELECTING THE BEST BID, BUT RATHER THE MERITS AND ADVANTAGES TO THE CITY OF EACH BID SHALL BE TAKEN INTO CONSIDERATION IN SELECTION OF THE MOST APPROPRIATE PROPOSAL FOR AWARD OF THE CONTRACT.

C. CITY UNDER NO OBLIGATION TO PERFORM

The issuance of this RFQ, and any responses thereto, shall in no way create City an obligation on behalf of City to perform. The City shall not be responsible for any costs incurred by a respondent related to the preparation and/or submission of their RFQ response. The City shall not be responsible for work done, even in good faith, prior to approval of the letter of intent or contract. The selected respondent will be required to assume total responsibility of the project. The selected respondent will be considered the prime contractor and the sole point of contact with regard to all contractual matters.

D. POINT OF CONTACT

For additional information regarding this RFQ contact:

Brian Kuhn (Service-Safety Director)
104 E. Main Street, Room 104
Lancaster, Ohio 43130
Phone: (740) 687-6698
Email: servicedirector@ci.lancaster.oh.us

IV. SUBMITTAL REQUIREMENTS

A. GENERAL

Respondent shall submit an original and two copies of its written RFQ response. The sealed RFQ response shall include a statement signed by an official with the authority to contractually bind the respondent. The name and title of the individual signing the transmittal should be typed immediately below the signature.

Sealed submissions must be received **on or before October 3, 2014**. Any response received after this date and time will be disqualified and returned unopened. Sealed submissions should be delivered to the following address:

CITY OF LANCASTER
ATTN: BRIAN KUHN, SSD
104 E. MAIN STREET, ROOM 104
LANCASTER, OHIO 43130

Submittals must be clearly marked on the package "Request for Proposals: Energy Conservation Measures." Submissions that are incomplete, do not follow the requested format, or are otherwise contrary to the guidelines of this RFQ may be rejected as non-responsive.

B. PREPARATION OF SUBMISSIONS

RFQ submissions must be complete and correct as to format. Clear and concise submissions are preferred in lieu of elaborate promotional materials. Respondents should address each item, in order, as described in Section III of this RFQ and clearly reference the respective section being addressed.

Respondents are expected to respond to all items in only as much detail as necessary for the City to make an objective evaluation of the RFQ. Respondents should respond in a concise direct manner to the issues within the RFQ.

C. PROPRIETARY DATA

Submissions and any other information submitted in response to this RFQ shall become the property of the City; however, Respondent may identify any proprietary information that it does not want disclosed to the public and the City will act in good faith to protect it accordingly. Disclosure of any proprietary information by the City shall be in accordance with the laws and regulations regarding disclosure in force in the State of Ohio.

D. RIGHT TO REJECT

The City reserves the right to accept in whole or in part any Respondent submission, and reserves the right to waive any formalities or minor technical inconsistencies, or delete any item or requirement from the RFQ or resulting contract, when deemed to be in the City's best interest.

E. COST OF SUBMISSION PREPARATION

The City will not provide compensation to Respondent for any expense incurred by the Respondent for submission preparation, product evaluations, or demonstrations that may be made.

V. SUBMISSION FORMAT AND CONTENTS

A. Submission Format

All RFQ responses must follow the format outlined below. Each submission will be reviewed to determine if it is complete prior to evaluation by the selection committee. The City reserves the right to eliminate from further consideration any response deemed to be substantially or materially nonresponsive. The intent is that all RFQ's follow the same format in order to evaluate each fairly.

Submissions that are qualified with conditional clauses, alterations, items not called for in the RFQ or irregularities of any kind are subject to disqualification by the City, at its option. Each submission should be prepared economically, providing a straightforward and concise description of the respondent's ability to meet the requirements of the RFQ. Emphasis should be on completeness and clarity of content. Submissions will be evaluated on their responsiveness to the requirements and scope of this package and not on extraneous supplements.

All RFQ responses shall be submitted in a three-ring binder (or spiral-bound binding) with specific tab sections as listed below:

- Table of Contents
- Executive Summary
- Section I: Background and Qualifications
- Section II: Partnering and Commitment to Customer
- Section III: Technical Approach

- Section IV : Financial Information
- Section V : Performance Contract Documents
- Appendix: Copies of Professional Engineer License

Table of Contents: *The RFQ response shall include a table of contents properly indicating the section and page numbers of the information included.*

Executive Summary: *The RFQ response shall include a concise abstract of no more than two pages stating an overview of the project. Please summarize the scope of services (design, financial, operations and maintenance, training, etc.) that would be offered by your firm for this project.*

Section I: Background and Qualifications: *Section I of the RFQ response should provide an overview of your firm's organizational philosophy for approaching this project, including an organizational vision or mission statement (if one has been developed or adopted) and information regarding your firm's commitment to the governmental marketplace.*

- A. **Firm Profile:** *Provide general information on your firm, including the firm's name, business address, local telephone number, officers and/or contact person(s) for the project, the year the firm was founded, a description of the type of products and/or services offered by the firm, and former firm names (if any). If your firm is a wholly owned subsidiary of any other firm or corporation, or has substantial ties or an affiliation with another firm or entity, that should be listed as well.*
- B. **Team Information:** *Provide an organizational chart for the project identifying the employees and/or agents who would be working on the City's project, including team members' name, job title, and training. A one-page resume including education, experience, and any other pertinent information should be included for each member of your firm's project team. If your firm anticipates having more than one office involved with the City's project, indicate the total number of employed full-time personnel in each office. Also include an organization chart indicating the branch and corporate level positions.*
- C. **References:** *Provide a minimum of five references, preferably Ohio local government entities, for projects of similar size, scope, and complexity. Each reference shall describe the services provided, project cost, and cost savings benefit to the client. Provide the name, address, and telephone number of the contact person for each reference. Provide a brief description of the projects referenced, including but not limited to the type of facility, scope of work, duration of project, problems, successes, and key vendor personnel involved with the project. Identify any awarded utility participation money or funding provided outside of energy savings. References should be for projects where your firm is/was the prime contractor.*

Section II: Partnering and Commitment to Customer:

- A. **Partnerships:** *Explain your firm's partnership concepts and give examples of other partnerships you have been involved in. Address the goals and objectives of the partnership*

and tell how your firm's experience with partnership programs will benefit the project, both in the long and short term.

- B. Benefits:** Address the benefits the City will receive by selecting your firm as a partner in lieu of the conventional bidding method (i.e. reduced engineering, risk management, controlled project cost, inventory, quality control, continuity, and handling of submittals).
- C. Corporate Commitment:** Describe your commitment to an ongoing relationship with the City once the construction and commissioning phases have come to a close. Develop your firm's strategies that will allow the client to receive the full benefit from corporate involvement and local branch representation. Develop and explain your commitment to service during both the construction phase and after project completion.
- D. Problem Resolution Process:** Address how your firm will staff, support, and respond to resolve issues relative to the project in a timely and efficient manner.

Section III: Technical Approach:

- A. Project Management:** Briefly describe your project management philosophy. Include any specific responsibilities, lines of communication, authority of your firm's management team to control projects, typical procedures for identifying problems and preventing schedule setbacks and cost overruns. Include a sample timeline showing the necessary activities and schedules for implementation of the project. Address the means and methods by which new technology can be introduced to the project team, as it becomes available.
- B. Energy Savings Projections:** Your submission must describe your approach to projecting the energy savings, including the methodology and processes used. Provide sample savings calculation with appropriate supporting data. The sample energy calculations shall show energy cost, energy units, operating hours and all assumptions made. Savings estimates shall show how savings estimates take into account interactive effects and the overall impact on rates and prices from energy supplies.
- C. Operational Savings Projections:** Your submission must describe your approach to projecting operational and maintenance saving, including methodology and processes used. Provide sample savings calculation with all supporting data. The sample operating calculations must show labor and/or equipment units, operating hours and all assumptions made.
- D. Utility Services Capabilities:** Submit information on the services your firm provides to assist in the negotiation, tracking, budgeting, accounting, and administration of utilities used by the City. Demonstrate the firm's strategic approach to the deregulated marketplace to allow the City to maximize its position while minimizing the City's risk.

- E. **Service and Training:** Describe your approach to operations and maintenance, including your capabilities for servicing HVAC equipment, procedures for handling emergencies, and monitoring capabilities. Provide detailed information on training programs available to maintenance staff.

Section IV: Financial Approach:

- A. **Financing Approach:** Describe the financing mechanisms, including sources and types of financing, that are available to finance improvements and maintenance operations over the term of the contract. The financing terms shall be in accordance with R.C. § 717.02. Proposed financing shall allow early payment of the loan by the City. The City will consider different financing approaches that provide low interest rates and that do not reduce the City's bonding ability. Clearly identify advantages, disadvantages and relative costs associated with each financing method proposed.

Provide sample cash flow analysis for all financing terms proposed by your firm using anticipated effective interest rates.

- B. **Financial History of Respondent's Firm:** Provide a copy of your most recent annual report and a copy of your current balance sheet. Publicly held firms should include a copy of their annual report. Provide your Ohio contractor license number and federal tax ID number. Provide financial statements on firm's parent company (if any). Include any additional information pertaining to the financial soundness of the firm.
- C. **Bonding References:** Provide the name of your bonding agent and the largest privately financed and guaranteed energy conservation program it has bonded in the last five years. State whether your firm has had a bond invoked in the last five years, and your firm's total bonding capacity and bonding limit.

Section V: Performance Documents:

- A. **Contract Documents:** Provide a copy of the contract documents you would use for this project. Describe the contract language used to agree upon maintenance responsibilities, occupancy schedules, operational savings, and other responsibilities in the contract.
- B. **Savings Guarantee:** Provide a description of the methodology, formulas, and reporting to be used to measure energy and operating savings. Include any methods to be used to adjust for factors such as weather, change in use, or change in the structure. **Third party guarantees are not acceptable.**
- C. **Historical Performance:** Describe your policy relative to projects that do not perform as specified. Give a specific example of a payout on a guarantee project. Identify how the costs are calculated. Show your past record of projected costs and savings compared to actual performance improvements. Provide at least one reference (with current contact information)

where projects did not perform as specified, if such a project exists. Give two examples of projects, at least two years old, where tracking information is available. Provide a sample of the reports available to the client to verify project savings. Identify the frequency of auditing reports proposed by your firm. Identify where Respondent or its subcontractors have been in litigation over a performance-contracting contract.

Appendix (Appendixes and Supporting Information)

A. Official Statement: *All RFQ responses must contain a statement, signed by an individual with the authority to bind your firm, to the following effect:*

- *The individual has read and agrees to the terms and conditions set forth in this RFQ.*
- *The terms and conditions set forth in the firm's RFQ response will remain open for no less than 120 days from the RFQ submission deadline.*

The failure of a respondent to properly execute and submit this form together with all required copies of the submission package will be a basis for disqualification.

B. Supporting Data: *All respondents are encouraged to organize any extended description of their qualifications, experience, or other lengthy documents germane to the requested information in the Appendix. Any extended documents should be summarized in the main body of the qualifications with supporting information included in appendixes.*

VI. EVALUATION AND SELECTION

A. INITIAL EVALUATION

Each RFQ response will be reviewed prior to final review by the selection committee for completeness and adherence to the required format. Each RFQ response should be prepared simply and economically, providing a straightforward, concise description of Respondent's ability to meet the requirements of the RFQ. The executive summary of each response will be read to give an overview. All submissions will pass this initial screening to determine if all requested sections are included in the proper order and they have addressed all areas described in the RFQ. Emphasis shall be on completeness and clarity of content. Fancy bindings, colored displays, or promotional materials will receive no evaluation credit. Incomplete RFQ's and/or lack of adherence to format may disqualify a respondent from further consideration.

B. SELECTION COMMITTEE

The City will appoint a selection committee to evaluate all RFQ responses received by the City. This committee will grade each RFQ response on the criteria listed in Appendix "A" attached hereto. The evaluation process may include verification of references and project team members, confirmation of financial information, and may include other information as deemed important by the City. The evaluation process may likewise include interviews with select respondents.

All RFQ submissions will be evaluated by the selection committee according to the criteria listed below. Once a firm is selected by the committee, the committee will present its recommendation to the legislative authority for the City for approval and authorization to contract with the selected firm for preparation of a formal report, under the seal of a registered professional engineer, in accordance with the requirements of R.C. § 717.02, which shall include at minimum the following: (1) analyses of the energy needs of the buildings owned by that municipal corporation and recommendations for building installations, modifications of existing installations, or building remodeling that would significantly reduce energy consumption in the buildings; (2) estimates of all costs of the recommended installations, modifications, or remodeling, including costs of design, engineering, installation, maintenance, and repair; (3) estimates of the amounts by which energy consumption could be reduced; (4) the interest rate used to estimate the costs of any energy conservation measures that are to be financed by the municipal corporation; (5) the average system life of the energy conservation measures; and (6) estimates of the likely savings that will result from the reduction in energy consumption over the average system life of the energy conservation measures, including the methods used to estimate the savings.

C. EVALUATION CRITERIA

The selection committee will utilize the following criteria in addition to other criteria as it deems appropriate during the evaluation process when evaluating RFQ responses:

1. Competence to perform the required services as indicated by the technical training, education, and experience of the respondent's personnel and key consultants, especially the technical training, education, and experience of the employees and consultants of the respondent who would be assigned to perform the services, including the proposed engineer of record;
2. Ability of the firm in terms of workload and availability of qualified personnel, equipment, and facilities to perform the required services competently and expeditiously, and experience working on similar types of projects;
3. Past performance of the firm as reflected by the evaluation of previous clients with respect to such factors as control of costs, quality of work, dispute resolution, administration of subcontractors, and meeting deadlines;

4. Financial responsibility including evidence of the capability to provide a surety bond;
5. History of performance with meeting goals of any diversity and inclusion programs required by a public authority or by applicable law, and compliance with applicable affirmative action programs;
6. Other qualifications that are consistent with the scope and needs of the project including, but not limited to, knowledge of the local area and working relationships with local subcontractors and suppliers; and
7. The respondent's project management plan that describes how the following will be performed: Design Reviews, Schedule Updates, Submittals, Value Engineering, RFI's Change Order Requests, Monthly Pay Estimates, Safety Management, Sub Contracts, Cost Controls, Quality Control and Communications.

APPENDIX "A"

ENERGY CONSERVATION MEASURES EVALUATION FORM

Name of Respondent: _____

Qualification Criteria	Point Value	Notes
Background & Qualifications Data (30 Points)		
Firm Profile		
Respondent's Team Information		
References		
Partnering & Commitment to Customer (15 Points)		
Partnerships		
Benefits		
Corporate Commitment		
Problem Resolution Process		
Technical Approach (30 Points)		
Project Management Plan		
Energy Services Projections		
Operational Savings Projections		
Utility Services Capabilities		
Service and Training		
Financial Information (10 Points)		
Financing Approach		
Respondent's Financial History		
Bonding References		
Performance Documents (15 Points)		
Contract Documents		
Savings Guarantee		
Historical Performance		
Total Score (Possible 100 Points)		