Request for Proposal (RFP)
for
Energy Performance Contracting

Issued by: Elementary School District 159

Elementary School District 159 (hereinafter referred to as the District) is seeking proposals from experienced and qualified Energy Services Companies (ESCOs) which are capable of providing comprehensive energy management and energy-related capital improvement services throughout the District's various facilities.

Project Overview

The District is interested in contracting for a full range of energy services and energy-related capital improvements designed to reduce energy use and related costs at its facility/facilities. These services and improvements are to be delivered on an energy performance contracting basis, which may allow the District to:

a) Incur no initial capital cost,
b) Achieve significant long term savings which are measured and verified,
c) Obtain an annual savings guarantee which will be equal to or greater than the total annual project costs,
d) Obtain consistent levels of occupant comfort and system functionality,
e) Capture environmental benefits such as hazardous material disposal, and
f) Finance the project through an installment payment or a lease purchase arrangement over an extended contract term.

The District seeks to maximize energy savings and related improvements within the framework of the allowable twenty (20) year contract term and available financing; therefore, ESCOs are encouraged to structure one or more projects which provide the greatest possible energy, water, operational and maintenance (O&M) savings and the most beneficial project scope for the District. The District is interested in essential services and improvements that will reduce facility energy consumption, upgrade energy-related capital equipment, improve building operations and maintenance, save costs through fuel switching, improve demand management and aid in meeting the District's environmental, life and safety management responsibilities.

The District is utilizing the comprehensive implementation process as described and outlined in the State of Illinois, Article 5/19b, School Energy Conservation and Savings Measures of the School Code (105 ILCS/5). It is the District's intent to select an ESCO to perform a comprehensive Facility Review and provide project recommendations to address the goals listed above. Energy and/or operational cost savings will be documented and verified by the ESCO and reviewed/approved by the District.

Disclosure

The District discloses that Energy Systems Group (ESG) assisted in the preparation of the Request for Proposal (RFP) document. A copy of this disclosure is also published in the Capital Development Board Procurement Bulletin along with this RFP.

Required Capabilities

The ESCO must have the demonstrated technical and managerial capabilities to provide a comprehensive set of energy and facility services including, but not limited to, a facility energy review, design, acquisition, installation, training and commissioning of new and/or existing energy systems, as well as project monitoring and savings measurement and verification. Additional services may include operation and maintenance for all improvements and/or training of the District's staff on routine maintenance and operation of systems.

Monitoring and verification services shall include appropriate measurement and timely reporting of the performance and savings from the project.

Overview of Terms and Conditions

Contract Term. No contract shall exceed twenty (20) years in duration and may be subject to annual appropriations. The duration of the contract will be mutually determined between the ESCO and the District based on authorizing legislation, final project scope and financial factors.

Guarantee. The project must result in a guaranteed minimum annual energy and operational savings guarantee, as well as defined levels of occupant comfort; and maintenance, monitoring, training or other services. The goal of this project is to achieve savings sufficient to cover all project costs including lease or installment payments and fees for maintenance; and monitoring; training and other services, on an annual basis, for the duration of the contract term.

Financial Review. Detailed financial projections of project benefits are dependent upon the scope of technical measures finally selected and installed. It is premature to place a major emphasis on projected financial benefits prior to the completion of the Facility Review and negotiation of the final project scope and structure.

Procurement Process

The evaluation and selection of an ESCO, and the negotiation and procurement of services, will proceed as follows:

Mandatory ESCO Conference and Site Visits. A *Mandatory ESCO Conference* will be held on Monday, December 15, 2014 at 9:00 AM local time. The conference will be held at 6202 Vollmer Road, Matteson, Illinois 60443. Site visits for general familiarity with the buildings will take place immediately following the Mandatory ESCO Conference. ESCOs failing to attend this Conference and Site Visits will automatically be disqualified from responding to the RFP.

For any and all questions related to the ESCO conference and/or the RFP, contact Demetria Brown, CBSO/Business Manager, (708)720-1300. ESCOs, or any representatives thereof, MAY NOT, directly or indirectly, contact any other District employee, Administrator, staff member or Board Member.

Submission of Written Proposals. ESCOs interested in providing the services requested must respond in writing by the date and time specified in the RFP. All submissions become the property of the District and will not be returned to the ESCO. All costs associated with submission preparation will be borne by the submitting ESCO.

Response Review and Selection of ESCO. The District will review and evaluate the ESCOs' written responses to this RFP in accordance with the Evaluation Criteria identified in Part 2 of this document. The ESCOs' client references will also be contacted and evaluated.

The District reserves the right to reject any or all submissions and to waive informalities and minor irregularities in submissions received, and to accept any submissions if deemed in the best interest of the District to do so. The District will determine how well ESCOs meet the requirements and evaluation criteria. The District will rank responses, without consideration of price, from best to least qualified using a point ranking system (unless otherwise specified) as an aid in conducting the evaluation. ESCOs that fail to meet minimum requirements will not be considered for an award.

ESCO Ranking. Based on results from the written responses to the RFP and client reference responses, the District will rank the ESCOs. Each responsive ESCO will be ranked based on how their response satisfies the evaluation criteria. A Facility Review of the District's buildings will follow with the top-ranked ESCO.

Development of Guaranteed Energy Savings Contract. After completion of the facility review, the District intends to negotiate a Guaranteed Energy Savings Contract (GESC). If an acceptable GESC cannot be negotiated within sixty days from the date of acceptance of the facility evaluation, negotiations with the next-ranked ESCO may be initiated. The District may elect to accomplish the work in one or more phases by entering into one or more GESCs based on the recommendations of the ESCO or determination by the District that it is in the District's best interest to do so.

To aid the ESCOs in their response to this RFP, the following information is attached:

1. **PROPOSED PROJECT SCHEDULE**
2. **EVALUATION CRITERIA**
3. **INSTRUCTIONS TO ESCOS**
4. **ESCO PROFILE, QUALIFICATIONS AND PROPOSED APPROACH TO PROJECT**
5. **SUPPORTING DOCUMENTS**
6. **OVERVIEW OF TERMS AND CONDITIONS**

1. PROPOSED PROJECT SCHEDULE

The following is the proposed project schedule, which may be adjusted as necessary during the procurement of services.

ACTIVITY	DATE
Board Authorization for RFP	December 10, 2014
RFP issuance, publication in Illinois Capital Development Board Procurement Bulletin and local newspaper	December 16, 2014
Mandatory ESCO Conference and Site Visits	December 22, 2014
Proposals Due – **NO EXTENSIONS WILL BE GRANTED**	January 20, 2015
Public opening and reading of proposals at District's administrative offices	January 20, 2015
Review of RFP Responses	January 21 - 31, 2015
Selection of ESCO	February 11, 2015 (Board Meeting)
Facility Review and confirmation of scope, pricing and contract language	March 4, 2015
Award of a Guaranteed Energy Savings Contract	March 11, 2015

2. EVALUATION CRITERIA

Evaluation of Responses. Responses will be evaluated based on the quality and completeness of the information provided. Failure to provide any of the requested information may result in disqualification. The

criteria listed below will be used in the evaluation of the written responses. The criteria have been weighted using a point system.

Experience and Qualifications – 40 points

- Qualifications, expertise and experience of ESCOs' personnel with guaranteed energy savings contracts.
- National Association of Energy Service Companies (NAESCO) accreditation.
- Customer references.
- Overview of past projects.
- A proven track record of performing all necessary project work (including asbestos abatement) as part of the turnkey project solution.
- Clarity, organization and level of detail in written response.
- Approach to equipment, vendor and service installation neutrality.

Technical Approach – 30 points

- Quality of a proposed technical approach to conducting a facility energy review, including methods of analysis and understanding of existing building systems and conditions.
- Quality of the Sample Facility Review.
- Quality of proposed training for facility staff.
- Quality of approach to savings measurement and verification.
- Quality of approach to project commissioning.

Project Management Approach – 20 points

- Ability to effectively manage project construction and complete projects on schedule.
- Clear assignment of responsibility for various project tasks to specific individuals.
- Quality of approach to operations and maintenance on past projects.
- Quality of monitoring, maintenance, and measurement and verification services on past projects.

Financial Standing– 10 points

- Financial soundness and stability of the ESCO.
- Demonstrated ability to provide or arrange project financing.
- Adequate bonding capability.
- Attractiveness of ESCO's Guarantee.

3. INSTRUCTIONS TO ESCOs

Failure to complete any question in whole or in part, or any deliberate attempt by the ESCO to mislead the District, may be used as grounds to disqualify the responding ESCO. The response requirements are detailed in Sections 4 and 5.

PROPOSAL SUBMITTAL INFORMATION

ESCOs that wish to have responses considered by the District must submit 4 sealed responses (faxed or emailed copies will not be considered), by 9:00 AM on Monday, January 12, 2015 to the following:

Demetria Brown, CSBO/Business Manager
6202 Vollmer Road
Matteson, IL 60443
Phone: 708-720-1300

4. ESCO PROFILE, QUALIFICATIONS AND PROPOSED APPROACH TO PROJECT

Each ESCO is required to fully answer all questions in each category listed below. Provide responses on 8½" x 11" sheets of paper, and number and title each answer to the corresponding category. Double-sided printing is acceptable. Font size should be no smaller than 10 point. All pages in your response should be numbered sequentially. ESCOs must also include a table of contents which indicates the section and page numbers corresponding to the information included. The structure of the response and numbering of sections is at the ESCOs' discretion, but should follow the table of contents included in the response.

All the following information (4.1 through 4.11 and 5) must be provided by the ESCO in order for this response to be properly completed. Failure to answer any question, provide requested information or comply with any directive contained in this RFP may be used by the District as grounds to find the ESCO ineligible. If a question or directive does not pertain to your company in any way, please indicate with the symbol "N/A."

4.1 Company Information

Please provide the ESCO name and address and the names and titles of two (2) primary customer representatives. Present any and all company information including, but not limited to the number of years ESCO has been in business, parent company information, and financial information which must include at least five (5) years of annual gross revenue.

Identify ESCO's legal counsel for this project. Give the name and address of the primary individual responsible for contract negotiation. Certify that your company is not currently under suspension or debarment by any government entity, and that it does not owe any back taxes. Describe any pending lawsuits against your company.

4.2 Technical Qualifications and Personnel Information

Indicate the number of guaranteed energy savings projects currently under contract with your company. Indicate the installed project cost value. Include resumes and key responsibilities of all ESCO personnel who will be directly involved in this project, if selected.

4.3 Customer References

Provide customer references for projects performed by the specific branch, division, office, or any individual in such branch, division or office that will be specifically assigned to this project. References based upon employment of any individual with a previous ESCO or company, or those of potential subcontractors, may not be included.

4.4 Financial References

Provide a copy of your company's most recent annual report.

Please enclose banking references including financial institution, address, contact person, telephone number, and specific information on your company's credit that may be used to fund construction for large- scale projects.

Enclose bonding references including company name, address, contact person, telephone number and information on your company's maximum bonding capability.

4.5 Overview of Services and Approach to Projects

Summarize the scope of services offered by your company (design, financial, operations, maintenance, training, etc.) for this project including the added value of your company's services.

4.6 Technical Approach

Describe the design process that your company utilizes to assure that the technical approach will meet the District's needs. Include how your company addresses the mechanical and energy related systems. The sample facility energy review (required in Part 5. SUPPORTING DOCUMENTS) will be critical in the District's evaluation of the Technical Approach.

4.7 Project Management

Describe how your company would work with current building management and maintenance personnel in order to coordinate construction and avoid conflicts with the building's operation and use.

4.8 Training Provisions

Describe your company's proposed approach to providing technical training for facility personnel. Indicate the type and frequency of training that may be provided for the duration of the contract. Indicate how your company will address any turnover of key facility personnel as it relates to project performance.

4.9 Approach to Equipment Maintenance

Describe any major changes in operations or maintenance that may occur as a result of implementing an Energy Performance Contract. Address how you would approach the role of the District's personnel in performing maintenance on any new and existing equipment.

4.10 Project Financing

Describe your company's approach to providing or arranging financing for this project, if required by the District.

4.11 Measurement and Verification of Energy Savings

Describe the methods you expect to use to compute baseline energy use for this project. Describe any computerized modeling programs used by your company to establish baseline consumption. Describe factors that would necessitate a baseline adjustment. Describe the methods you will use to adjust the guaranteed level of savings from any material changes that occur due to such factors as weather, occupancy, facility use changes, etc. Please summarize procedures, formulas and methodologies, including any special metering or equipment, your company will use to measure and calculate energy savings for this project. Indicate how your company identifies, documents and measures operational cost savings opportunities. Describe your company's proposed approach to the treatment of savings achieved and how those savings will be documented and verified.

5. SUPPORTING DOCUMENTS

Include any supporting documents you deem appropriate, including a Sample Facility Review, which demonstrate your company's experience and qualifications, technical approach, project management approach and financial standing.

6. OVERVIEW OF TERMS AND CONDITIONS

This information is provided so all responding ESCOs are aware of the District's Terms and Conditions, in the event they are selected to perform the facility review on behalf of the District.

a. **Contract Term.** No contract shall exceed twenty (20) years in duration and may be subject to annual appropriations. The duration of a contract will be mutually determined between the ESCO and the District based on authorizing legislation, final project scope and financial factors.

b. **Guarantee.** A project must result in a guaranteed minimum annual energy, water and O&M savings guarantee, as well as defined levels of occupant comfort, and maintenance, monitoring, training or other services. The goal of a project is to achieve savings sufficient to cover all project costs including lease or installment payments and fees for maintenance, monitoring, training and other services, on an annual basis, for the duration of the contract term.

c. **Financial Review.** Detailed financial projections of project benefits are dependent upon the scope of technical measures finally selected and installed. It is premature to place a major emphasis on projected financial benefits prior to the completion of the facility review and the

negotiation of the project structure.

d. **Insurance.** Prior to the commencement of work, the successful ESCO must provide evidence of insurance for the construction phase of the project. By submitting a proposal, each ESCO agrees to furnish and maintain, at its own expense, insurance covering all operations under the contract, whether performed by the ESCO or its subcontractors, if any, including, without limitation, workers' compensation insurance, employers' liability insurance and commercial general liability insurance. All insurers shall be licensed by the State of Illinois. At any time following contract award, the ESCO shall submit to the District certificates of insurance satisfactory of insurance coverage or its policies upon request of the District. The ESCO shall have its general liability insurance endorsed to provide that the District, a body politic and corporate, and its Board members, employees, agents, officers, officials and any other entity as may be designated by the District, are listed as "ADDITIONAL INSURED-OWNERS, LESSEES OR CONTRACTORS" – on primary basis, without recourse or right of contribution. The ESCO shall require its insurer(s) to submit insurance certificate(s) naming the District as certificate holder and evidencing coverage maintained by the ESCO indicating that (1) the District, and its Board members, employees, agents, officers, officials, and such other parties as may be designated by the District are additional insured on the general liability insurance and (2) the insurer will provide 30 days prior written notice of cancellation, or non-renewal to the Superintendent or authorized official of the District. The ESCO shall require any subcontractors under the contract to maintain comparable insurance which shall name the ESCO, the District inclusive of its Board members, employees, agents, officers, officials and other entity designated by the District as Additional Insured. The ESCO will maintain a file of subcontractors' insurance certificates evidencing compliance with these requirements.

e. **Amount of Insurance**. ESCO will be required to take out and maintain, at its sole cost and expense, the following insurance coverage during the term of the Project:

   i. Worker's Compensation, Employer's Liability, and Occupational Disease Insurance. Statutorily required worker's compensation insurance, including employer's liability and occupational disease coverage, to the extent provided by the Worker's Compensation Act and the Occupational Disease Act of the State of Illinois, on all of ESCO's employees engaged in the Project;

   ii. General Liability. Commercial general liability insurance (including contractual, independent contractors, explosion, and product/completed operations coverage) against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than One Million Dollars ($1,000,000.00) in one occurrence, and to the limit of not less than Two Million Dollars ($2,000,000.00) annual aggregate;

   iii. Automobile Liability. Automobile liability insurance against damage because of bodily injury, including death, or damage to property of others as the result of the operation of any automobile, with such insurance to afford protection to the limit of not less than Five Hundred Thousand Dollars ($500,000.00) for any one person, not less than One Million Dollars ($1,000,000.00) in respect to any one accident, and not less than One Hundred Thousand Dollars ($100,000.00) for property damage.

   iv. Excess Liability. In addition to the insurance requirements and coverage listed above for General Liability and Automobile Liability, ESCO shall take out and maintain, at its sole cost and expense, an excess liability insurance policy during the term of the Project concerning such general and automobile liability. The excess insurance coverage provided for under this excess liability insurance policy shall afford additional protection to the Owner to the limit of not less than Five Million Dollars ($5,000,000.00) in one occurrence and to the limit of not less than Five Million Dollars ($5,000,000.00) annual aggregate.

   v. Design Professional Liability. Design Professional liability insurance against claims for negligent acts, errors and omissions in rendering professional services with such insurance to afford protection in an amount not less than Five Million Dollars ($5,000,000.00) for each

claim and Five Million Dollars ($5,000,000) in the aggregate.

f. **Prevailing Wage.** All laborers, workers and mechanics employed by or on behalf of the District in the construction of public works must be paid the general prevailing rate of hourly wages (including allotments for training and approved apprenticeship programs, health and welfare, insurance, vacation and pension benefits) for work of a similar character in the locality in which the work is performed.