



Request for Proposal

For

Energy Conservation Capital Improvement Projects

On A

Performance Contracting Basis

Issued:

February 8, 2018

Addison Community Schools (the “Owner”) is requesting detailed proposals for the implementation of energy conservation capital improvement projects on a performance contracting basis. The Owner’s objective in issuing this Request for Proposals for Energy Conservation Capital Improvement Projects (the “RFP”) is to obtain competitive bids from qualified providers by which it may select one or more performance contracting/design-build contractors (hereinafter the “Vendor”) to design and manage the implementation of the selected energy conservation capital improvement projects in accordance with MCL 380.1274a, which will be offset savings in existing and future budget allocations (the “Project”). Any Vendor herein must be and satisfy the definition of a “Qualified Provider” under MCL 380.1274a(9)(b).

If a portion of the Project is state financed, it may be subject to prevailing wage requirements and the wages paid under a Contract on the Project must satisfy these wage requirements, if applicable. Vendors are therefore given notice that all contract language required under all applicable laws, rules, regulations and ordinances with respect to compliance with the applicable prevailing wage laws shall be incorporated into any contract between the Owner and the selected Vendor for any buildings for which prevailing wage is applicable.

In general, the components of the Project are to:

1. Provide a comprehensive program for Addison Community Schools that may include installation of energy conservation capital improvement projects. The specific nature of the capital improvement projects is left to the Vendor’s judgment but must be clearly identified in your proposal. Equipment manufacturers must be identified within the Vendor’s Proposal.
2. Provide a more comfortable environment for building occupants. This may include repair, renovation or replacement of existing heating, ventilation, air conditioning, or temperature control systems, or lighting systems. The specific nature of improvements is left to the proposer’s judgment, but must be clearly identified in your Proposal.
3. Provide a minimum 18 Month warranty on all equipment, materials, design and workmanship from the date of final acceptance by the Owner.
4. As required in MCL 388.851, the vendor shall provide all services identified under 1937 PA 306 that may be performed by an architect or engineer including supervisory services, provided the specifications for the Project shall be generic in character and, to the extent possible, shall not include proprietary equipment or technology developed by the Vendor or in which the Vendor has an interest. The architect/engineering services can only be performed by the selected Vendor to the extent that the Vendor is providing energy conservation measures on a guaranteed basis.
5. The Proposal’s energy savings shall not be based upon the partial reduction in the Owner’s staff or such recommendations shall be separate from any statement of energy savings.

6. Owner will incur no start-up costs. The successful Vendor shall provide a financial package that will show net benefits to the Owner over a 15-year period, including a statement of net costs and savings of the Project on an annual basis. Owner, at its sole discretion, shall determine the method and term of financing any costs of the Project. The costs of the Project shall offset by the energy conservation and operational savings of utility and/or maintenance cost reductions (not including staff reductions). If, at the end of any guarantee year during the guarantee period, the annual energy audit proves the improvements have failed to achieve the annual guaranteed energy savings, the selected Vendor will pay the Owner the difference between the annual amount guaranteed and the actual energy savings. This guarantee will assure the Owner that the savings will be achieved each year. The energy guarantee must be a first party guarantee.
7. In accordance with MCL 380.1274a, energy savings for the Project must be guaranteed according to the International Performance Measurement and Verification Protocols® (IPMVP). Baseline data and assumptions will be agreed upon by the Owner and the successful Vendor.

COMPONENTS OF PROPOSALS

All proposals submitted must contain the following information in the order requested.

1. Corporate background, company name and address of firm. Please identify (address and phone number) the corporate office and other local offices.
2. Project management plan, corresponding schedule and responsibilities.
3. Identify and adequately describe all proposed energy conservation measures/projects. Provide a summary of savings and the work to be performed by energy conservation measure/project:
4. Provide a detailed explanation of each proposed energy conservation measure/project proposed. Included in **Attachment A** are some categories of energy conservation measures and guidelines to incorporate in your response.
5. Training program, including statement of costs.
6. Proposals shall include detailed engineering calculations for the proposed energy savings.
7. Cash flow analysis.
8. A detailed breakdown of the energy performance savings to be derived by each energy conservation measure, including at least all of the following:
 - A. A description of the guaranteed energy savings and tasks to be performed under the energy savings performance contract.
 - B. The combined total net cost of all of the energy conservation measures in the Project.
 - C. The projected energy savings and operating and maintenance costs savings resulting from the Project.
 - D. The useful life of each proposed energy conservation measure/project.
 - E. The simple payback period.

9. A certification that measurement and verification techniques for determining cost savings will be performed in accordance with protocols published by IPMVP. The measurement and verification (M&V) techniques and plan shall include the following:
 - A. A detailed description of the M&V services to be provided upon completion of installation and construction.
 - B. A description of the intended IPMVP option to be used including a description of measurement methods and equipment to be used, if applicable.
 - C. Proposed baseline operating data to be utilized (volumes, rates, and annual costs).
 - D. Proposed baseline weather adjustments (such as HDDD, CDDD, etc. and source of such data and the proposed baseline levels.).
 - E. Commissioning of the newly installed energy conservation measures.
 - F. Documentation of post energy conservation measures energy and operating data.
 - G. Annual Energy Audit and savings report. The audit must be consistent with accepted engineering practices (*i.e.* consideration for weather adjustment, utility billing periods, and rate structures).

10. The annual or monthly cost of any proposed service contract for monitoring the energy savings and for preventative maintenance, expressly stating separately any cost for the guarantee of energy savings. Indicate the length of any proposed service contracts, if such contract is prerequisite to any guarantee of energy savings, and the minimum length of the proposed service contract in order to obtain the guarantee. Also indicate what services will be provided as part of the preventative maintenance program. The term of the savings guarantee shall not exceed 5 years. Owner, at its sole discretion, the owner shall determine the term in the contract stage of procurement.

11. A list of five (5) references of similar size projects your firm has completed within the last 10 years in the MidWest K-12 market. Include contact persons and phone numbers, scope of work, services provided and savings guaranteed.

12. Proposal to be signed by an authorized company official and each proposal must contain a sworn and notarized affidavit that no familial relationship exists between the Vendor or any employee of the Vendor and any member of the Board of Education or Superintendent of the Owner as set forth in **Attachment C**. The Owner will not accept a Proposal that does not include this sworn and notarized statement.

13. In accordance with Michigan Public Act No. 517 of 2012, all Proposals must be accompanied by a sworn and notarized statement certifying that the Vendor is not an Iran Linked Business. The Owner will not accept a Proposal that does not include this sworn and notarized statement. The Affidavit of Compliance – Iran Economic Sanctions Act is attached to this RFP as **Attachment D**.

14. An expressed itemized statement of all warranties on specific products included in the Proposal in addition to a minimum one (1) year guarantee of all materials and workmanship that must be included as part of the Proposal.

15. An assurance that all work shall be performed in accordance with all applicable laws, rules, regulations, codes and standards.
16. An acknowledgment that the vendor has carefully examined the instructions and specifications contained in the RFP and that all terms contained therein are fully incorporated into the Proposal. (**Attachment B**).
17. Evidence that the Vendor can secure, and the cost to provide, a performance and payment bond for the energy conservation measures under the contract.
18. The appropriate "bid security" from a qualified surety in the form of a bid bond, certified check or cashier check in the amount of five (5) percent of the bid amount will be required with Proposal submission as a condition for consideration of award. Bid bonds shall be duly executed by the Vendor as principal and having as surety thereon, a company authorized to execute such in the State of Michigan. All Sureties must be listed in the Department of Treasury Circular 570. Bid bonds shall pledge that the Vendor, with the understanding that if their proposal is accepted, will enter into the Contract with the Owner for the services selected by the Owner and will furnish bonds covering the faithful performance of the Contract and the payment of all obligations arising there under. The attorney who signs the surety bond must file with the bond, a certified and effectively dated copy of the power of attorney. Bid securities will be returned to the successful Vendor after a Contract has been executed, and acceptance of required bonds and insurance is made. The bid security of Vendors not under consideration for award of the Contract will be returned by the Owner in a timely manner. The bid security of all Vendors may be retained until a Contract is awarded. The bid security obliges shall be the Owner and shall become its property in the event that the Vendor fails, within fifteen (15) days of notice of award, to execute the Contract, deliver the performance and payment bonds, and send the required certificates of insurance. The bid security shall be forfeited to the Owner as liquidated damages, not as a penalty.
19. Vendors shall submit a written summary and or list of pending and/or recent litigation within the past five years related specifically to its performance of an energy savings performance contract.

INSTRUCTIONS FOR SUBMITTING PROPOSALS

1. RFP TIMELINE

The Owner expects to undertake the selection process described below according to the following schedule. Notwithstanding the foregoing, the Owner reserves, the right, in its sole and absolute discretion, to make modifications to or alter the following schedule as it determines to be in its best interests.

A. Issuance of RFP	2/8/2018
B. Mandatory Pre-Bid Meeting	2/22/2018 @10AM
C. Deadline for Questions	3/6/2018
D. RFP Response Deadline	3 p.m. - 3/26/2018
E. Vendor Consideration by Facilities Committee	3/26/2018-4/10/2018
F. Contact Recommended vendor and request contract	
a. Tentative date	4/11/2018
G. Contract delivery Deadline	
a. Tentative Date	4/17/2018
H. Board Consideration and approval of recommended vendor	4/23/2018
I. Contract and financing review	4/17/2018-4/27/2018
J. Contract & Financing Execution	4/30/2018
K. Begin Project Implementation	5/21/2018

2. PROPOSAL SUBMISSION

All Proposals must be delivered to and received by the Owner on or before 3 pm. on Monday March 26, 2018. Each Vendor is responsible for submission of its Proposal. Proposal or Proposal revisions received after the Due Date will not be accepted or considered. The Owner is not liable for any delivery or postal delays. All Proposals received after the Due Date will be unopened and made available to the respective Vendor for pick-up, at their sole cost and expense for a period of two (2) weeks.

Vendors shall submit one (1) originally signed proposal and five (5) copies, along with one (1) copy on a flash drive in “pdf” format. Proposals shall be sealed. NO ORAL, FAX or E-MAILED Bids will be accepted. Proposals must be delivered to the Business Office and addressed as follows:

Addison Community Schools
Attn: Director of Operations
219 N. Comstock Street
Addison, Michigan 49220

SEALED PROPOSAL – ENERGY CONSERVATION IMPROVEMENTS

3. OPENING OF PROPOSALS

All submitted Bids shall be publicly opened and read aloud Monday March 26, at 3:15 p.m. in the secondary Media Center, located at 219 N. Comstock Street Addison MI. Any interested parties may attend. No immediate decision will be rendered.

4. ADDITIONAL QUESTIONS OR REQUESTS FOR CLARIFICATION

Prospective Vendors may request that the Owner clarify information contained in this RFP. All such requests must be made in writing via email. The Owner will attempt to provide a written response to all written Requests for Clarification within three (3) business days after the receipt of such request. The Owner will not respond to any Request for Clarification received after **3:00 p.m. on March 6, 2018**. Requests for Clarification and inquiries must be made via email. All Requests for Clarification must be directed to Sam Hoskins, Director of Operations, Addison Community Schools at Hoskinss@addison.k12.mi.us (Subject Line: Energy Conservation RFP Request for Clarification). Answers will be provided to all known Vendors who requested or received a copy of the RFP.

5. IRREVOCABILITY OF PROPOSALS

Any Proposal may be withdrawn or modified in writing by the Vendor, provided such withdrawal or modification is received by the Owner prior to the Due Date and time established for receipt of Proposals. Proposals not withdrawn by the requested due date shall constitute a firm offer to provide the energy conservation measures/projects contained therein and shall remain firm for acceptance for ninety (90) days. Submittal of an un-withdrawn proposal shall constitute a presumption that all aspects of the scope of work are included in that proposal.

6. COSTS

The cost of preparing a response to this RFP, including site visits, detailed energy analysis and engineering studies, are the Vendor's sole responsibility and will not be reimbursed by the Owner.

7. RELEASE OF CLAIMS

The Vendor by its submission of its proposal releases the Owner and its Board of Education, officers, and employees from any claims arising out of, and related to, the RFP process and selection of a Vendor.

8. RESERVATION OF RIGHTS

The Owner reserves the right, in its sole and absolute discretion (for this provision and all other provisions contained in this RFP), to accept or reject, in whole or in part, any or all proposals with or without cause. The Owner further reserves the right to waive any irregularity or informality in the RFP process or any proposal, and the right to award the Contract to other than the Vendor submitting the best financial proposal (low bidder). The Owner reserves the right to request additional information from any or all Vendors. The Owner reserves the right to award the work to one or more Vendors. In the event a Vendor's proposal is accepted by the Owner and that Vendor asserts exceptions, special considerations or conditions after acceptance, the Owner, in its sole and absolute discretion, reserves the right to reject the proposal and award the Contract to another Vendor.

9. COLLUSIVE BIDDING

The Vendor certifies that its proposal is made without any previous understanding, agreement or connection with any person, firm or corporation making a proposal for the same work and is in all respects fair, without outside control, collusion, fraud or otherwise illegal action.

10. FINALITY OF DECISION

Any decision made by the Owner including the Vendor selection, shall be final.

RFP AND CONTRACT TERMS AND CONDITIONS

The resulting contract between the Owner and Vendor for installation/implementation of the selected Project by the Vendor resulting from the Owner's formal Board authorized acceptance of the energy conservation measures/projects contained in the Proposal of the successful Vendor will be subject to review and approval by the Owner's legal counsel. The following are the general terms which must be included in the contract. Any forms and contracts a Vendor proposes to include as part of any contract resulting from this RFP between the Selected Contractor and the Owner must be submitted as part of its Proposal. Any forms and contracts not submitted as part of the Proposal and subsequently presented for inclusion may be rejected. While a Vendor may submit a suggested form of contract with its Proposal, the award of the Proposal is subject to the negotiation of a contract to the reasonable satisfaction of a representative of the School and/or the Board, incorporating the terms and conditions of this RFP, and subject to the review and approval by the Owner's legal counsel.

INSURANCES

The successful Vendor shall procure and maintain during the life of the agreement the following insurance coverage from a company or companies licensed to sell insurance in Michigan with an A.A.M. Best rating, or equivalent: Workers compensation in compliance with Michigan law; Comprehensive General Liability Insurance in the amount of \$2,000,000 each occurrence for Bodily Injury Liability and Property Damage Liability. In addition, the successful vendor will procure and maintain an Umbrella or

Excess Liability policy in the amount of \$5,000,000. Such insurance will protect the Vendor and shall name the Owner and the Project site as additional or co-insured's.

The insurance required shall be maintained without interruption from date of commencement of operations under the Agreement until the date specified that coverage is no longer required.

All certificates of insurance must be forwarded to the Owner prior to commencement of any work. Required insurance policies shall not be changed or canceled without ninety (90) days prior written notice to the Owner.

INDEMNIFICATION BY VENDOR

The Vendor shall indemnify, hold harmless and defend the Owner, its Board Members, officers, employees, students, volunteers, and agents against all suits, actions, legal proceedings, claims of any nature and kind, demands, and all damages, loss, costs, expense, taxes, penalties, fines, liens, and actual attorney's fees incurred, caused by or arising from or attributable, whether in whole or in part, directly or indirectly, to:

- a) Any negligent or willful or intentional or criminal acts or omissions of or a breach of contract by the Vendor or its principals, shareholders, employees, agents, attorneys, accountants or subcontractors;
- b) Any claims by any employees or former employees of the Vendor or its agents or subcontractors, regarding any matter relating to their employment;
- c) Any matter for which the Owner may be held strictly liable, but which is the result of, in whole or in part, the negligent or willful or sole acts or omissions of the Vendor or its principals, shareholders, employees, agents, attorneys, accountants and/or subcontractors;
- d) Any tax or levy imposed upon or charged to the Owner as a result of compensation or any other amount paid to the Vendor under or pursuant to the Contract; and
- e) Any breach of any representation or warranty by the Selected Contractor under the contract or its subcontractors, agents or consultants.

BONDS

In compliance with Act 213, Public Acts of Michigan of 1963, as amended, the successful vendor shall execute surety bonds acceptable to the Owner. One bond will be for the faithful performance and fulfillment of the Contract and to include protection of the Owner from all liens and damages arising out of the work. The other bond will be conditioned for the payment of labor and materials used in the work and for the protection of the Owner from all liens and damages arising there from. Each of the bonds will be in the amount of one hundred percent (100%) of the total amount of the Contract price, through satisfactory completion of installation.

SUBCONTRACTING

In the execution of the Contract it may be necessary for the Vendor to sublet part of the work to others. The Vendor shall inform the Owner as to which subcontractors will be used. Subcontractors used shall be subject to the approval of the Owner. Nothing in this RFP or in the Contract shall create any contractual relationship between any subcontractor and the Owner. The Vendor shall not assign, transfer, convey, or otherwise dispose of this Contract, or any part thereof, or the firm's right, title, or interest in the same or any part thereof, without the previous written consent of the Owner. The Vendor shall not assign any, of the monies due or to become due and payable under this Contract, without previous written consent of the Owner.

ACCESS TO INFORMATION

The Vendor shall provide the Owner constant access to any computer system hardware and software used to develop and/or store Project data, no matter where or by whom produced or operated and Vendor shall facilitate placing the Owner on line with same by modem, station or other method of connection, if such connection is possible. Further, the Owner shall be deemed the owner of any and all documents, drawings, specifications or other instruments of service produced by the Vendor or its subcontractors pursuant to the Contract and shall have the full right to access and use the same in its discretion, whether directly or through a third party. The Vendor also shall secure on behalf of the Owner an irrevocable license to use any and all software necessary to operate the improvements provided through the Project as designed and intended.

All Vendors overhead necessary for its performance hereof is included, unless otherwise specified herein.

EQUAL EMPLOYMENT OPPORTUNITY

The Vendor shall warrant and represent that it is an equal opportunity employer and that it does not unlawfully discriminate or discriminate against anyone due to race, creed, color, age, sex, national origin, disability or handicap.

APPROVAL OF EMPLOYEES

The Owner reserves the right to approve the identity of representatives and employees of the prime contractor or any subcontractors. The Owner shall retain the right, in its reasonable discretion, to have any employee of the Vendor or any subcontractor removed from the project.

WARRANTY

The successful Vendor shall, at a minimum, guarantee all materials and workmanship against defects arising from normal usage for a minimum period of eighteen months (18) from the date of completion and acceptance.

OWNER'S RIGHT TO CORRECT DEFICIENCIES

If the Vendor shall neglect to execute the work properly, or should refuse to remedy any defects in the work due to inferior quality of workmanship or material, or should in any manner fail to perform any provision of this Contract, the Owner, after fifteen (15) days advance written notice to the Vendor, may correct such deficiencies and may deduct the cost thereof from payment due the Vendor.

STAFFING

The Vendor shall not recommend that Owner reduce or eliminate any employees or positions as a result of any changes implemented under the Agreement. Reduction, elimination or absorption of employees or positions by the Owner will not be considered nor shall it be included as part of any savings projected by the Vendor.

COMPLIANCE WITH LAW AND STANDARD PRACTICES

The Project and all Vendor services shall comply with all applicable Federal, State, and Local laws, statutes, acts, rules, regulations, and ordinances. The Vendor shall perform its obligations hereunder in compliance with each and every Federal, State and Local law, statute, act, rule, regulation and ordinance, including applicable licensing requirements. The Vendor shall comply with sound engineering and safety practices and any and all Owner and/or Owner Board of Education policies, practices, procedures and rules, past, present and future. The Vendor shall be responsible for obtaining all governmental permits, consents, and authorizations, as may be required, to perform its obligations.

APPROVAL OF EMPLOYEES

The District will not hire or continue to employ any individual, either directly or as a contracted employee to work regularly and continuously in the schools, who has been convicted of a "listed" offense as defined in M.C.L.A. 28.722. The District will not hire or continue to employ any individual, either directly or as a contracted employee to work regularly and continuously in the schools, who has been convicted of any felony unless both the Superintendent and the Board provide written approval.

TAXES

Each Proposal submitted shall include and the successful selected Vendor will be required to pay all taxes which are levied by Federal, State or Municipal Governments upon labor, and for material entering into the work. The Owner reserves the right to require evidence of payment of such taxes prior to final payment.

USE OF BUILDINGS

The Owner will continue to occupy the buildings and site during the normal school year. Any installation work not completed during the summer recess shall be performed around instructional periods including after regular school hours, on weekends, on scheduled holidays, or as arranged and approved by the Owner during regular school hours.

CLEANLINESS

The selected Vendor will, at all times, keep the job clean of all debris and rubbish resulting from its operations, and upon completion of its work, will promptly remove all tools, equipment and excess material and any rubbish caused by its work and personnel. Selected Vendor will protect all its material and work from hazards and be fully responsible for their condition until accepted by the Owner, and shall also be responsible for any damage caused by it to the work or property of others, including but not limited to, the property of the Owner. Selected Vendor will reimburse Owner for any expenses incurred to keep the job clean and clear of all debris and rubbish resulting from Selected Vendor's failure to comply with this paragraph.

USE OF OWNER PROPERTY

The selected Vendor shall not use or permit any of its employees, contractors, subcontractors or consultants to use any equipment, hoists, staging, scaffolds, or any other material belonging to the Owner without prior written consent.

GOVERNING LAWS

This RFP, and any contract arising from this RFP, shall be governed by the laws of the State of Michigan. The applicable law for any legal disputes arising out of this RFP or any contract shall be the law of (and all actions hereunder shall be brought in) the State of Michigan, and the venue for such disputes shall be the Genesee County Circuit Court.

INCORPORATION BY REFERENCE

The Owner considers this RFP legally binding and will require that this Request For Proposal and the Vendor's Proposal to be incorporated by reference into any subsequent contract between the Selected Vendor and the Owner. It should be understood by the Vendor that this means that the Owner expects the Selected Vendor to satisfy substantially all requirements listed herein. Exceptions should be explicitly noted in the Vendor's Proposal. Lack of exceptions listed in the Proposal will be considered acceptance of all of the requirements and specifications presented in this RFP.

FLOOR PLANS/DRAWINGS

The selected Vendor shall provide a composite floor plan of each building reflecting each and every change resulting from the Project. The final composite plan shall show the Owner's room number and/or text label for all rooms and spaces. The Selected Vendor shall prepare and provide a set of "As-Built" drawings showing changes in the work made during the Project. The Selected Vendor shall certify these drawings as accurate; provided the Selected Vendor certification shall be made to the best of the Selected Vendor's knowledge. These drawings shall be provided in the form of reproducible drawings and digital documents as specified by the Owner.

ATTACHMENT A

Addison Community Schools

Potential Scope of Work

- A. HVAC system modifications
- B. Lighting upgrades
- C. Energy management system
- D. Fenestration improvements and entrance/exit closures
- E. Water conservation
- F. Energy audit, design and engineering
- G. Other improvements as recommended by the Proposer
- H. All overhead costs incurred by the successful Proposer with respect to the Program are included in its proposed Contract price, unless otherwise specified in its proposal
- I. The ESCO will utilize a no more than a 3% escalation rate
- J. Financing rate of 3.5%, and 0% should be utilized. Please provide 2 cash flows reflecting the above provided financing rates for the proposed project.
- K. Term of Financing shall not be greater than 15 years

ATTACHMENT B

Addison Community Schools

Proposer Acknowledgement of RFP Requirements

The undersigned declares that he/she has carefully examined the instructions and specifications contained in the RFP and will furnish the properties and services set forth in its sealed proposal for the price set forth in its sealed proposal.

Any exceptions to the terms and conditions contained in this RFP or any other special considerations or conditions requested or required by the Vendor MUST be specifically enumerated by the Vendor and be submitted as part of its Proposal, together with an explanation as to the reason such terms and conditions of the RFP cannot be met by, or, in the Vendor's opinion, are not applicable to, the Vendor. The Vendor shall be required and expected to meet the specifications and requirements as set forth in this RFP in their entirety, except to the extent exceptions or special considerations or conditions are expressly set forth in the Vendor's Proposal and those exceptions or special considerations or conditions are expressly accepted by the School District. All Pricing factors must be clearly indicated in the Proposal Forms provided as part of the Vendor's Proposal.

Name of Company:

Address:

City/State/Zip:

Phone/Fax:

Email:

Representative/Title:

Signature:

Date:
