

October 12, 2018

**REQUEST FOR PROPOSALS GUARANTEED
ENERGY SAVINGS CONTRACT FOR THE VILLAGE
OF OAK LAWN**

Dear Energy Service Company:

The Village of Oak Lawn, Illinois (“Village”) requests proposals from National Association of Energy Service Companies (“NAESCO”) certified firms for the development of an Energy Performance Contract consisting of comprehensive energy & water management and energy & water related capital improvements for numerous facilities and public infrastructure. These services and improvements are to be delivered on a guaranteed performance contracting basis which will allow the Village to: 1) incur no initial capital cost, 2) achieve significant long term savings which are measured and verified, 3) obtain an annual savings guarantee which will be equal to or greater than the total annual project costs, 4) obtain consistent levels of system functionality, and 5) finance the project through an installment payment or a lease purchase arrangement over an extended contract term.

It is important that the project include every aspect of energy and operational efficiency measures and shall be provided on a turnkey basis with contractual guarantees of: A) decreased operational costs, B) decreased energy consumption, C) total program cost including implementation and on-going costs, D) project specific implementation schedule, E) firm, fixed, turnkey price, and F) no change orders.

Three (3) copies of the sealed proposal marked “Guaranteed Energy Savings Contract Proposal” must be received by the Village of Oak Lawn at 9446 S Raymond Ave. Oak Lawn IL, 60453 no later than 3:00 P.M. local time on Wednesday, October 31, 2018. Late submittals will not be accepted.

A Mandatory pre-bid meeting will be held Wednesday, October 24, 2018 at 10:00 A.M. at the Village’s Reich Water Plant located at 9100 South Kilbourn, Oak Lawn IL, 60453.

The Village reserves the right to reject any and all proposals or any part thereof. The right is reserved to waive any formalities or informalities contained in any proposal, and to award the proposal to the most responsive and responsible proposing firm as deemed in the best interest of the Village.

Request for additional information must be submitted in writing to Brian Hanigan, Director of Finance at bhanigan@oaklawn-il.gov or Dave Leslie, Water Division Manager at dleslie@oaklawn-il.gov.

INTRODUCTION AND PURPOSE

This RFP is being issued by the Village seeking proposals from Energy Service Companies (“ESCOs”) to provide professional services required for the development of a Guaranteed Contract centered on large-scale, comprehensive energy and operational efficiency programs. For the purpose of this RFP, “ESCO” refers to any entity that is qualified to provide a turnkey utility conservation program that includes the services listed in this request. The emphasis of this contract will be on energy improvements related to Village owned, operated, or maintained water utility and facilities. Such improvements included water meters, pumping stations, building/facilities upgrades, and other additional energy efficiency concerns. The proposal must include a strategy to complete a comprehensive analysis of areas for energy efficiency retrofits and recommend procedures for implementing strategies, both financial and operational, to complete such conversions. The Respondent will be responsible for developing the complete project, engineering and design, construction, project management and all related services and include a comprehensive leak detection system.

BACKGROUND

It is important that the program include every aspect of energy and operational efficiency measures and shall be provided on a turn-key basis with contractual guarantees of:

1. Increased meter accuracy
2. Decreased operational costs
3. Total program cost, both implementation and on-going costs
4. Project-specific implementation schedule
5. Firm, fixed, turn-key price. No change orders.

The selected firm shall be required to assume total responsibility for all of the services listed below and shall be considered the sole point of contact with regard to all contractual matters subject to technical and contractual oversight of the Village:

- Material supply
- Construction and Installation
- Project management
- Data capture and transfer
- Performance and payment bond
- Integration with utility billing program
- Commissioning and programming
- Hardware and software training and support

The successful Respondent shall demonstrate through a detailed analysis of the current infrastructure and proposed improvements that their proposal best benefits the Village. Proposals shall be submitted in accordance with the outline provided herein. The selection of the successful Proposal, as well as the implementation of the program, shall be subject to the approval of the Village.

This RFP does not commit the Village to award a contract, to pay any costs incurred in the preparation of a proposal, or to procure or contract for the articles of goods and services. The

Village reserves the right to accept or reject any or all proposals received as a result of this RFP, to waive informalities, to negotiate with the selected Respondent, or to cancel in part or its entirety this RFP, if it is in the vested interest of the Village to do so.

Pursuant to Local Government Energy Conservation Act (50 ILCS 515/1 et seq.), the Village of Oak Lawn discloses that *Johnson Controls, Inc. and Siemens Industry, Inc.* participated in the preparation of the specifications issued herein.

SUMMARY

The Village intends to address all significant utility costs as well as operational losses with this program. Additionally, the Village intends to upgrade outdated and obsolete equipment and perform improvements through this program. Specific items of expertise should include conversion to a Village-wide Automated Meter Infrastructure system for water meters, exploring the potential for fixed- base technology, energy efficiencies at Village pumping stations, and other operational efficiency projects for building/facility improvements.

The Village seeks to develop a guaranteed, self-funded program that requires no up-front costs and improves energy and operational efficiency, reduces water loss across the distribution network and conserves energy by improving equipment accuracy and pump efficiency. The proposed improvements must pay for themselves in increases in billable water and/or reductions in energy and operational expenses (hereinafter referred to collectively as “savings”). The contract must:

1. Guarantee water meter accuracy for the duration of the contract
2. Guarantee the savings that are proposed to fund recommended improvements.
3. Guarantee the costs of those improvements.
4. Guarantee a schedule of completion

The RFP and contracting process has four phases:

- **RFP Phase:** Through this RFP, the Respondent will be selected based upon qualifications, breadth of proposal, and Performance Contracting history.
- **Contract Negotiation Phase:** The Village will sign a letter of intent directing the successful respondent to complete a full scale technical audit of the water metering and water utility infrastructure overall as well as any additional municipal infrastructure that has potential to deliver similar savings and benefits. Upon the completion of this audit a project will be developed with the selected Respondent to define the project scope, cost and financial terms.
- **Construction/Implementation/Financing Phase:** Upon satisfactory results of the project scope, a Contract will be developed to implement the negotiated and recommended projects.
- **Commissioning/Guarantee/Monitoring Phase:** Upon completion of projects, the Respondent will ensure the savings guarantee is met. The Village will receive, review, and approve periodic savings reports provided that are based on the approved Measurement & Verification plan.

SCHEDULE

The Village intends to meet the following schedule. Respondents unable to commit to this timeline will not be considered. These dates are tentative and subject to change.

Date:

1. RFP advertised date, October 14, 2018
2. Mandatory pre-bid meeting, October 24, 2018, 1 P.M.
3. RFP submissions due October 31, 2018, 3:00 P.M.
4. Potential interviews: mid-November
5. Village Council approval of ESCO selection November 27, 2018
6. Project analysis and contract negotiations completed December 31, 2018
7. Contract presented at Council Meeting January 8 or 22, 2018

SUBMISSION OF PROPOSAL

Submittals must provide a straightforward, concise description of the ability to meet the requirements of the Village. Each Respondent is solely responsible for the accuracy and completeness of its submittal. Please limit your response to 100 pages or less. Thank you.

Three (3) copies of the sealed proposal marked “Guaranteed Energy Savings Contract Proposal” must be received by the Village of Oak Lawn at 9446 S Raymond Ave. Oak Lawn IL, 60453 no later than 3:00 P.M. Local Time on Wednesday, October 31, 2018. Late submittals will not be accepted.

Questions should be directed to following contact:

Director of Finance
Brian Hanigan
bhanigan@oaklawn-il.gov

Water Division Manager
David Leslie
dleslie@oaklawn-il.gov

PROPOSAL RESPONSE FORMAT

Proposals submitted for consideration should follow the format and order or presentation described below:

A. COVER LETTER: The cover letter should exhibit the Respondent's understanding and approach to the project. It should contain a summary of Respondent's ability to perform the services described and confirm that the Respondent is willing to perform those services and enter into a contract with the Village of Oak Lawn. By signing the letter and/or the proposal, the Respondent certifies that he/she is specifically authorized to submit a proposal on behalf of the ESCO represented.

B. TABLE OF CONTENTS: Organized in the order cited in the format contained herein.

1. QUALIFICATIONS AND CAPABILITIES

General Firm Information:

- a. Type of Firm (corporation, partnership, sole proprietorship, joint venture)
- b. Year Firm Established. Number of years has your firm been in business under its present business name
- c. Parent Company. If applicable, state name, address, former name; if applicable, tax identification number
- d. Key Stakeholders List the names of all parties in responsible charge of the firm
- e. Office proximity to Village of Oak Lawn.

2. FINANCIAL AND LEGAL INFORMATION

- a. Financial Statement. Attach your firm's most recent financial statement or annual report for each of the last three years. Include current financial rating.
- b. Bond Rating. Provide current bond rating and bonding capacity.
- c. Bonding Agent. Identify bonding agent by name, phone number and rating and letter of intent to bond.
- d. Litigation. Describe any litigation arising from Automated Meter Infrastructure ("AMI") performance contracts. Please provide the Village, date and resolution. Failure to provide this information will result in disqualification.
- e. Disclose any ongoing water infrastructure projects in last 36 months resulting in municipality hiring of outside and additional engineering or legal counsel to review contract terms, conditions or quality of installation, post contract signing. Failure to provide this information will result in disqualification.
- f. Savings Guarantee. Explain in detail how you will guarantee the savings associated with this project. Include specifics about any occurrences where the respondent has financially reimbursed a customer for nonperformance on savings. Include shortfall amount on yearly basis. Reference any situations that would void the savings guarantee.

3. EXPERIENCE OF FIRM

- a. Years in Performance Contracting Business. State the number of years your firm has been involved in the energy-efficiency related business. State the number of years your firm has offered performance contracting services. **Qualified respondents must have at least 5 years in the Energy Performance Contracting or they will be disqualified.** As an attachment to this section, please include guaranteed AMI Performance Contracts where the respondent has been selected and has completed a project with contact references and scope descriptions for each project. **Include minimum of five (5) water utility/AMI Performance Contracts references in the region and three(3) references where you team has delivered water utility pumping and SCADA efficiency improvements in the region.**
- b. Performance on prior projects. Include data on projecting, monitoring, and documenting (measurement and verification) of utility savings and achievement of savings projected. Please provide client project manager contact information.
- c. Project Team. Qualifications of key personnel working on this project – Include training each member of the team has obtained regarding specific projects as well as any possible training sessions they may be able to perform for Village staff as part of the scope of services. Identify all of the ESCO engineering and project management staff that will be part of the project as well as the past projects they were working on in the region.
- d. NAESCO Accreditation – Provide a copy of your current accreditation certificate from the National Association of Energy Service Companies (“NAESCO”). **Qualified Respondents MUST be accredited by NAESCO or will be disqualified.**

4. TECHNICAL APPROACH

Illustrate and describe proposed technical solution and compliance with the RFP. Items that must be addressed, but are not limited to, include:

- a. Turn-key design, and implementation of improvements
- b. Savings guarantee methods and process to prove those savings
- c. Overall program implementation schedule
- d. Project guarantee and ongoing support
- e. Finance recommendations
- f. Other services or benefits that qualify your company
- d. Local businesses engagement

II. PROPOSAL EVALUATIONS

All proposals will be evaluated by an evaluation panel using the evaluation criteria listed below. The panel may select one or more proposals for further evaluation and/or interviews with selected firms. The firm recommended by the panel to the Oak Lawn Village Council for a contract award will be chosen on the basis of the apparent greatest benefit to the Village, not necessarily on the basis of lowest proposed cost.

The evaluation criteria are listed below with corresponding maximum point values. The maximum number of points per proposal is 50.

Qualifications and Capabilities – 10 points
Financial and Legal Information – 10 points
Experience of Firm – 15 points
Technical Approach – 10 points
Overall Quality of Response to the RFP – 5 points

CONTRACT TERMS AND CONDITIONS

Contract terms and conditions (T&C”) will be negotiated once the ESCO has been selected but is expected to include but not be necessarily limited to standard Village of Oak Lawn language related to performance bond and insurance requirements, general liability provisions and other disclaimers normal for projects of this magnitude awarded by the Village.

Appendix A

Estimated Number of Water Meters in Oak Lawn

Meter Population	
3/4"	1073
5/8"	1687
1	114
1 1/2	207
2	74
3	36
4	16
5	0
6	1
Unknown but suspected to be 5/8"	13912
Total meters	17120

NOTES:

Last meter replacement program was in 1985-86.