

**ENERGY PERFORMANCE CONTRACT WORK
REQUEST FOR PROPOSAL**

**PEOTONE CUSD 207-U
PEOTONE, ILLINOIS**

FOR

Mechanical Renovations and Energy Conservation Work
at
Peotone Elementary School
426 North Conrad Street
Peotone, Illinois 60468

November 4, 2015

November 4, 2015

OWNER: Peotone CUSD 207-U

Energy Performance Contract Work

Mechanical Renovations and Energy Conservation Work
Peotone Elementary School
426 North Conrad Street
Peotone, Illinois 60468

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SECTION I GENERAL INFORMATION

A. PURPOSE

The Peotone CUSD 207-U (hereinafter referred to as the Owner) is seeking specific qualifications and proposal from interested Energy Services Companies (ESCO) which are capable of providing comprehensive energy management and related capital improvement services for this project. The Owner's objective in issuing this Request for Proposal (RFP) is to enter into a guaranteed savings energy services agreement with a qualified ESCO.

ESCOs shall be able to provide and guarantee the capital investment required to fund this project. The dollar amount of funding the contractor is able to supply is to be specified as directed in SECTION IV - PROPOSAL PREPARATION INSTRUCTIONS.

This RFP requires the services of a qualified ESCO to develop and implement a comprehensive energy management program for Mechanical Renovations and Energy Conservation Work at Peotone Elementary School. This program shall include but not be limited to energy audit, evaluation and awarding of subcontractors' bid proposals, project management, mechanical retrofits, repair of malfunctioning systems, energy management systems and controls, lighting modifications, maintenance, staff training and energy management services.

Project financing required to implement the program must also be provided with a maximum contract length of twenty (20) years. The energy savings achieved by the installed project must be sufficient to cover all project costs including all financing costs, energy audits, technical proposal reviews, annual maintenance and monitoring fees for the duration of the contract term. Annual Owner payments will not exceed annual savings in accordance with Illinois Public Act 96-1197. All costs related to proposal preparation be covered in the ESCO's proposal.

B. STATEMENT OF INTENT

The intent of this project is to provide the Owner with the means to realize maximum utility savings and/or energy related improvements at the facility stated above. Timely implementation of the energy conservation program and minimal disruption of educational activities is of the essence in this project.

C. ISSUING OFFICE

This RFP is issued for and by Peotone CUSD 207-U. Mr. Kirt Hendrick, Business Manager, will coordinate the project and will provide names of contact persons and other information as required.

The subject RFP, technical appendices, plans and ACM specifications have been prepared by the School District in consultation with the District ACM consultant, Hygieneering, Inc. The District discloses that no energy audit has been performed in the three years preceding this RFP, and that its service provider, Precision Control Systems, Inc. participated in scope review.

D. PERFORMANCE CONTRACTING

For the purposes of this document, "Performance-based energy efficiency contract," means a contract for energy efficiency services and equipment in which the payment obligation is guaranteed by the ESCO under contract to be less than the energy cost savings attributable to the services or equipment under the contract, for the term of the agreement (not-to-exceed twenty [20] years). The responsibility for meeting the requirements of Public Act 96-1197 shall be that of the selected ESCO.

The ESCO's energy and operational guarantees shall be a first party guarantee from the ESCO to the Owner. No third party guarantees shall be accepted. The ESCO shall provide annual energy audit M&V and full description of same.

E. PERFORMANCE CONTRACT AGREEMENT

It is proposed that when an agreement is entered into as a result of this RFP, it will be a Performance Contract Agreement ("the agreement"). Negotiations shall be undertaken with the contractor whose understanding, qualifications, experience, technical approach, design concept, and financial terms show them to be qualified, responsible and capable of performing the work. The agreement that will be entered into will be the one which is most advantageous to the Owner. The Owner reserves the right to reject any and all proposals and to waive informalities and minor irregularities in submissions received and to accept any submissions if deemed in the best interest of the Owner to do so. All ESCO's shall be responsible for their cost to submit their response under this RFP.

If the Owner and the selected ESCO have not executed the agreement within thirty (30) days after its submission to the selected contractor, the School District may terminate negotiations with that ESCO and may initiate negotiations with an alternative respondent.

If the Owner agrees to the terms of the ESCO's final proposal, those terms will be incorporated in the agreement and the ESCO will proceed to implement the recommended measures.

Refer to Section VI for "Significant Provisions of the Proposed Performance Contract Agreement".

F. PAYMENTS

Fixed payments shall be made to the ESCO or its assignee for the term of this agreement. Such payments shall not exceed the total energy and operational savings realized under this program for the term of this agreement.

Payments for cost of services incurred prior to the execution of contract and final agreement and all costs associated with submission and preparation of a response to the RFP will be the sole responsibility of the ESCO.

G. PRIME CONTRACTOR

The selected ESCO will be required to assume responsibility for all services offered in his proposal whether or not he produces them. Furthermore, the Owner will consider the selected ESCO to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the agreement or any underlying contract.

H. PRE-PROPOSAL CONFERENCE

A mandatory pre-proposal conference will be held at the Peotone Elementary School, 426 North Conrad Street, Peotone, Illinois 60468 on November 10, 2015 at 10:00 AM. The pre-proposal conference is for information only. Answers furnished will not be considered official until verified in writing by the District. Answers that change or substantially clarify the RFP, will be affirmed in writing. Copies will be provided to all attendees. Proposals from ESCOs who fail to send representatives to the pre-proposal conference will receive no consideration.

I. SITE VISITS

Site visitation will be conducted on an appointment basis. Appointments should be scheduled with the respective facility maintenance personnel (indicated in Section VIII "Technical Appendices").

J. INQUIRIES

Questions that arise prior to the pre-proposal conference shall be submitted in writing to the Issuing Office. The Project Director is Mr. Kirt Hendrick, Business Manager.

K. PROPOSALS

Interested ESCOs shall demonstrate their qualifications and experience in providing comprehensive energy management services and financing as described in SECTION III - SCOPE OF SERVICES REQUIRED and SECTION IV - PROPOSAL PREPARATION INSTRUCTIONS.

It shall be understood by the responding ESCOs that the Owner reserves the right to accept any proposal, to reject any and all proposals and to waive any irregularities or informalities when doing so is in the best interest of the Owner.

**SECTION II
PROPOSAL SUBMISSION**

A. SUBMISSION

ESCOs who wish to be considered by the Owner must submit an original and five (5) copies of the proposal, as outlined in Section IV, including all required attachments, for the subject project, with all requested data included by 2:00PM, Thursday, December 10, 2015. Submissions shall be placed in a sealed envelope and sent to:

Mechanical Renovations and Energy Conservation Work
Peotone CUSD 207-U
212 West Wilson Street
Peotone, IL 60468

Attention: Mr. Kirt Hendrick, Business Manager

All submissions become property of the Owner and will not be returned to the ESCO.

ESCOs must file with the Owner, in conjunction with the submission of their proposal, a security bond in an amount equal to 10 percent (10%) of the proposed cost of the energy conservation measures to be incorporated into the project, as calculated at the time the proposals are received. This security bond shall secure the Owner from loss or damage by reason of withdrawal of the proposal after the date set for submission of proposals.

B. ASSIGNMENT

The ESCO shall not assign or transfer any interest in its agreement, make changes in the financial arrangements or sources, nor alter the schedule for implementation, without the prior written consent of the Owner. Claims for money due or to become due to the ESCO from the Owner may be assigned to a bank, trust company, or other financial institution, without such prior written notice, provided the ESCO notifies the Owner.

C. QUALIFICATIONS

The submission of a proposal deems permission to the Owner and to its consultants to make inquiries concerning the ESCO and its principals, officers and directors to any persons or firms the Owner deems appropriate.

ESCO shall provide all information requested and complete Attachment No. 1 - ESCO profile form.

D. PROPRIETARY INFORMATION

If a proposal includes any proprietary data or information that the ESCO does not want disclosed to the public, such data or information must be specifically identified as such on every page on which it is found. Data or information so identified will be used by the Owner solely for the purposes of evaluating proposals and conducting contract negotiations.

E. DISTRICT ARCHITECT/ENGINEER RFP PREPARATION AND TECHNICAL REVIEW

The fees associated with the District's Architect/Engineer services for proposal technical review shall be paid by the Owner.

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F. DESIGN WORK

All cost and fees associated with design work shall be included in the ESCO's proposal. Owner shall be reimbursed for any previously agreed upon amounts paid the District's Architect/Engineer for their participation in these services.

All installation and construction work, shall be performed by ESCO licensed in the State of Illinois.

G. KEY PERSONNEL

Key personnel assigned to this project by the ESCO and its subcontractors shall not be removed from this project without the prior written approval of the Owner. Such approval may not be unreasonably withheld.

H. TAXES

The ESCO shall be responsible for payment of taxes, including all, if any, applicable sales taxes, from the funds thus received or provided under this agreement.

I. FEES

The ESCO shall be responsible for securing and paying fees for all applicable permits, bonds, approvals, etc., required for the execution of the final agreement or any underlying construction contract.

J. TIME TABLE

The Owner expects to undertake the selection process based on the following schedule. (The schedule is subject to change and all respondents will be notified as to schedule changes.)

Advertise in newspaper and CDB Bulletin	October 30, 2015
RFP manuals available to ESCO	November 4, 2015
Pre-proposal conference	November 10, 2015
Submission of proposal	December 10, 2015
Interview with finalist(s)	December 15, 2015
Letter of Intent to Qualified Provider	January, 2016
Response Consultant review submitted	February, 2016
Award contract	February, 2016
Capital Development Board Posting of Award	February, 2016

SECTION III SCOPE OF SERVICES REQUIRED

In response to this RFP, the ESCO shall specifically address, in detail, the items listed below for Mechanical Renovations and Energy Conservation Work at Peotone Elementary School.

A. FACILITY AUDIT

The ESCO shall have performed a facility audit and engineering studies sufficient to develop an energy management approach for reducing energy consumption and costs at the facilities.

B. ENERGY CONSERVATION PROGRAM

The ESCO shall have presented an energy conservation program for the facility detailing the specific energy conservation measures and maintenance services that it will implement at the facility. As a minimum, the ESCO shall include all primary ECMs listed in SECTION VIII -TECHNICAL APPENDICES for the facility and any additional ECMs or alternatives the ESCO wishes the Owner to consider. The program is to include the projected equipment costs and savings, the implementation schedule and any subcontractor arrangements. Each Energy Conservation Measure (ECM) must be itemized as to cost and savings (format - Attachments #2A and #2B). Maintenance service agreement and on-going audit/monitoring costs must be included in Attachment #2A spreadsheet. No extra or hidden costs will be permitted for the term of the Performance Contract.

C. METHODOLOGY

In order to be considered a responsible proposer, the ESCO must identify the specific Energy Conservation Measures (ECM's) which it intends to perform, and the aggregate energy savings it expects to achieve upon implementation of the project. The ESCO must explain (in detail) its methodology for projecting energy savings, and offer supporting documentation, showing precisely how the expected energy savings figure was derived. The ESCO must state the unit consumption and cost of utilities used in its savings projections for each facility. Heavy emphasis will be placed on the perceived validity of the ESCO's methodology and experience in projecting energy savings.

The ESCO must include detailed energy savings calculations for each ECM proposed.

The ESCO shall itemize operational savings and detail where actual school budget reductions will occur. Operational savings must be approved by the Owner.

The ESCO must describe the method or methods used to compute baseline energy use and for calculating adjustments to the baseline, due to such factors as weather and facility use change.

The ESCO must describe their procedures and methods for measuring project's financial performance and how the guarantee provisions work, in the event that project results vary both positively and negatively from the projections.

The ESCOs must describe their standard billing procedures and attach a sample project invoice.

The ESCO should describe their method for division of responsibility for equipment service during the term of the agreement.

The successful ESCO shall provide a detailed list of all equipment, hardware and subcontractors proposed to be used in the Owner's facilities.

D. PROJECT SCHEDULE

Provide a milestone chart detailing the proposed schedule for each ECM, listed by months, tasks and schedule for procurement and installation of the equipment and systems. As a minimum the ESCO's project schedule shall meet milestones indicated in the attached project specifications manual.

The Owner plans to maintain its present operating schedule during the course of the project. The ESCO shall schedule work to minimize the interruption of services and down time.

E. MONITORING

The ESCO shall provide a description of its approach for ongoing monitoring of this project's performance (including frequency, procedures for handling emergencies, approach to maintain "School Code Comfort" standards, etc.).

The Owner shall provide all required regular maintenance of systems and equipment provided for the subject facilities (except as may be required for the ESCO to provide as outlined in the attached specifications).

The ESCO shall describe the service and maintenance procedures for which the ESCO will be responsible to provide as part of their proposal.

F. TRAINING

The ESCO shall also provide training in the proper operation of all new and/or renovated systems, controls and equipment for the Owner's in-house maintenance staff. This training shall take the form of training classes. ESCO shall submit proposed training time to be included in the agreement.

G. STANDARD OF SERVICE

The standards of service provided for the Owner's facilities including heating, ventilation, air conditioning and humidity shall be in accordance with the requirements of all Illinois State Board of Education standards, including the health/life safety code for public schools and all applicable local codes. All proposed changes to current facility operating conditions shall be identified in the ESCO's proposal and shall be subject to Owner's review.

H. LIGHTING

Lighting retrofits shall exceed the minimum recommended luminescence levels published by Illuminating Engineering Society (IES). Any equipment installed by the ESCO as a part of a performance-based contract shall be new and free of defects. All proposed changes in lighting levels shall be identified in the ESCO's proposal and shall be subject to Owner's review. New lighting system shall comply with minimum standards indicated in Section VIII - Technical Appendices. The cost of disposal of all lighting fixtures, ballasts and equipment to be replaced and removed by the ESCO from Owner's facilities shall be borne by the ESCO and included in his proposal.

New LED lighting shall have Design Light Consortium LED certification.

I. ADDITIONAL INFORMATION

There shall be a minimum one (1) year warranty on all work, parts and equipment. Such warranty shall be provided by both the ESCO and the applicable manufacturer(s) and to commence upon the date of final completion of the applicable work.

The ESCO shall provide a fulltime on-site construction superintendent during the construction of the project.

The ESCO shall provide at least three (3) sets of operation and maintenance manuals for each site including all new equipment and systems, commissioning reports and a-built drawings (in paper and electronic format).

Owner must approve product submittals and subcontractor selection prior to commencing work. ESCO shall identify in their proposal the portion of the project they intend to implement with direct employees and the portion to be provided by each listed subcontractor.

Provide an explanation of any additional tasks to be performed, which are deemed necessary by the proposer, for successful project completion or any explanation of any deviation from and/or deletion of any tasks listed in SECTION III - SCOPE OF SERVICES REQUIRED.

SECTION IV PROPOSAL PREPARATION INSTRUCTIONS

The ESCO proposer shall set forth, in sufficient detail, the technical and financial plan by which he intends to meet each requirement contained herein. The proposer shall also provide sufficient information for the Owner and its consultants to evaluate its experience and its qualifications to perform this project including items requested in Sections II and III.

Proposals must be submitted in the format outlined in this section, with each of the described forms and sections completed in full. Each proposal will be reviewed to determine if it is complete prior to actual evaluation. Proposals not containing the information requested will be considered unacceptable by the Owner. Proposals will be evaluated in light of the material and the substantiating evidence presented in the proposal, and not on the basis of what is inferred.

The cost of preparing a response to this RFP, including site visits and preliminary engineering analyses, will not be reimbursed in any way by the Owner.

A. TABLE OF CONTENTS

Proposals shall include a table of contents properly annotated with respect to section and page numbers to facilitate locating the information included.

B. EXECUTIVE SUMMARY

Proposals shall include a concise abstract stating the proposer's overview of the project.

C. PUBLIC ACT 96-1197

Proposals shall include an overview of Illinois Legislation regarding Performance Contracting.

D. EXPERIENCE AND QUALIFICATION

The proposer shall prepare and submit Attachment No. 1 - ESCO profile form, as outlined in Section II - Proposal Submission.

E. TECHNICAL APPROACH

The proposer shall prepare a scope of services which specifically responds in order listed to each item specified in SECTION III - Scope of Services Required. This section shall present a detailed statement of the methodology to be utilized to carry out each task and precise description of the deliverable to be received by the Owner as end products of the services rendered.

F. FINANCIAL APPROACH

The proposal should contain the following information about the financial terms of the proposed transactions.

1. Information about the ESCOs projections as to: (a) total annual energy savings, (b) annual payments to the respondent and (c) the net benefit to the Owner from the proposed transaction should be provided.
2. A description of important financial terms should be included. This section must include:

- a. The method to be used in determining the Owner's payments
 - b. The frequency of these payments
 - c. The term of the proposed agreement
 - d. A guarantee of energy savings or cash flow
 - e. The ESCO's strategy for minimizing the degree of risk assumed by the Owner and any other terms or information relevant to the financial aspects of the proposed transaction (other than information concerning the method to be used to measure energy savings).
3. Provide a description of the method(s) to be used to monitor and measure energy and operational savings achieved in the Owner's facilities through the implemented ECMs (including any methods to be used to adjust for factors such as weather, or changes in the use or structure of facilities) should be included in the proposal; also state ESCO's proposed "base line" year. (If a computer program is to be used for monitoring energy savings, submit back-up information on the program and references.)
 4. Proposer should include a description of maintenance, support services, and energy monitoring reporting to be a part of the guaranteed saving contract including associated cost. In short, all should be part of the guaranteed savings contract. All maintenance and monitoring to be provided shall be for the length of the contract.
 5. In the event that the actual savings are less than the amount stated in the contract, the ESCO will pay the Owner the difference between the guaranteed and the actual amount. Savings in excess of the guaranteed amount will be retained by the Owner.
 6. An outline of the purchase options available to the Owner, including the times when such options will be available and the costs of exercising such options.
 7. A description of the ESCOs' source(s) of financing for this project (including, for example, any contingencies that must be met in order to obtain such financing, and if any debt financing is involved, the percentage of total project cost to be financed with debt, the anticipated interest rate and the term of the loan) should be included.

G. OFFICIAL STATEMENTS BY RESPONDENT

Proposals must contain statements to the following effect, signed by an individual authorized to bind the ESCO.

1. The ESCO has read and agrees to the terms and conditions set forth in this RFP.
2. The terms and conditions set forth in the proposal will remain open for at least ninety (90) days from the deadline for submission of proposals.

H. APPENDICES

Attach a sample of ESCO's standard performance contract and a sample project invoice.

SECTION V PROPOSAL EVALUATION

The evaluation committee may conduct interviews with some or all of the finalists to clarify information provided in the proposals. Following these interviews, the evaluation committee will recommend an ESCO to the Owner's Board of Education. The Owner's Board of Education will make a final selection based upon the evaluation committee's recommendation and such other factors as the Board deems to be in its best interests.

Proposals will be evaluated and scored on the basis of the following criteria, which will be accorded the relative weight indicated in parentheses.

A. EXPERIENCE AND QUALIFICATIONS OF THE RESPONDENT (25%)

Preference will be given to ESCOs demonstrating strong capabilities, experience and reputation in undertakings similar to those described in this RFP and providing authoritative documentation of the ESCO's financial condition and stability.

B. TECHNICAL APPROACH (30%)

Proposals should include a detailed and sound technical approach to meeting the Owner's energy efficiency objectives, operational objectives and should include the installed cost, energy savings and operational savings of each proposed energy conservation measure. (Itemize each ECM.)

Proposals should also outline the ESCO's specific responsibilities for operation, maintenance and repair of equipment and systems following installation (including the repair of the Owner's existing equipment) and should demonstrate the ability of the ESCO to provide services on both a routine and an emergency basis.

C. FINANCIAL TERMS (10%)

Preference will be given to proposals that responsibly maximize the economic benefit to the Owner and that responsibly minimize the risk to the Owner, in connection with the proposed transaction. Factors that will be considered include:

1. The proposed term (length) of the Performance Contract Agreement, the net dollar benefit to the Owner from entering into the transaction.
2. The methods that will be used to determine the amount of the ESCO's compensation.
3. The amount of energy and operational savings achieved in the Owner's facilities.
4. Purchase option terms (both during the term of and at the end of the Performance Contract Agreement).
5. The ESCO's source(s) of financing, the nature and amount of benefits to be claimed by the ESCO.
6. The degree to which the ESCO has minimized the Owner's risk in connection with the project (guaranteed level of energy savings in dollars or in units of consumption).

D. ABILITY TO IMPLEMENT PROJECT PROMPTLY (20%)

Preference will be given to proposals demonstrating an ability and previous experience to carry out the tasks and responsibilities outlined in the proposal, including project management, equipment procurement, system installation and system commissioning, in a prompt, complete and efficient manner.

E. TRAINING AND EDUCATION (15%)

Proposals should include a detailed description of the technical training/education program to be provided for the Owner to ensure the intended knowledge is provided to, and received by, and understood by the Owner's designated, responsible personnel. The plan should include such areas as:

1. System operations and maintenance instruction
2. Energy management system operations
3. Energy management system programming and integration concepts
4. Review system commissioning reports
5. Review of ESCO provided as-built drawings.
6. Review of ESCO provided Operation and Maintenance manuals.
7. Other

ENERGY PERFORMANCE CONTRACT WORK

Mechanical Renovations and Energy Conservation Work

PROPOSAL EVALUATION SHEET

<u>EVALUATION</u>	<u>WEIGHTING</u>	<u>SCORE</u>
1. Experience and Qualifications	25	—
2. Technical Approach	30	—
3. Financial Terms	10	—
4. Ability to Implement Project	20	—
5. Training and Education	<u>15</u>	—
TOTAL	100	—

PROPOSER: _____

EVALUATOR: _____

DATE: _____

COMMENTS: _____

SECTION VI
SIGNIFICANT PROVISIONS OF PROPOSED PERFORMANCE CONTRACT AGREEMENT

The Owner intends to include the terms described in this section in the final agreement to be submitted to the selected ESCO. However, the Owner reserves the right to include additional terms in the final agreement, or to refrain from including any or all of the terms listed below.

A. TRADE NAMES AND PATENTS

Whenever an article of any class of materials or equipment is specified by the trade name of any particular patentee, manufacturer or dealer, or by reference to the catalog of any such manufacturer or dealer, it shall be taken to mean and specify the article or articles of materials described or equal thereto in quality, finish and durability and equally as serviceable for the purpose for which it is or they are intended. The Owner shall make the decision as to whether the materials or equipment offered are equal to those specified.

B. PATENT AND PATENT RIGHTS

The ESCO shall protect and save the Owner, its Board of Education, its officers and employees (hereinafter, the "Indemnities") harmless against all claims and actions brought against the Owner's Indemnities, by reason of any actual infringement upon patent rights in any material, process, machine or appliance used by the ESCO in the work and project.

C. RIGHT-OF-WAY

The necessary right-of-way for any construction to be done across or in private property will be the responsibility of the Owner. The ESCO shall take due and proper precautions against any injury to adjacent structures and shall hold himself strictly within the rights secured to him by the Owner in prosecuting the work on private property.

D. LABOR LAWS AND ORDINANCES

The ESCO shall obey and abide by all the laws of the State of Illinois relating to the employment of labor and public work and all ordinances and requirements of the Owner regulating or applying to public improvements.

The ESCO agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this agreement, with respect to hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of age, race, color, religion, national origin, sex, handicap, marital status, unsatisfactory military discharge or ancestry (except where based on a bona fide occupational qualification). The ESCO further agrees that every subcontract entered into for the performance of the agreement will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as material breach of the agreement.

E. WORKERS' COMPENSATION INSURANCE

The ESCO shall procure and maintain, during the life of this agreement, Workers' Compensation Insurance in accordance with the Workers' Compensation Act of the State of Illinois, adequately protecting all labor employed by the ESCO during the life of this agreement and shall provide evidence to the Owner that such insurance is, in fact, in force.

F. COMPREHENSIVE GENERAL LIABILITY INSURANCE

The ESCO shall procure and shall maintain in effect, during the life of this agreement, Comprehensive General Liability Insurance in an amount not less than \$2,000,000 each occurrence, \$2,000,000 products/completed, \$1,000,000 aggregate for Bodily Injury Liability, \$1,000,000 each occurrence for Property Damage Liability, \$50,000 Fire Damage Legal Liability and \$5,000 medical expense any one person. In addition, Comprehensive General Liability Insurance shall include coverage for Personal Injury Liability (including employment related suits), Independent Contractor's Liability, Blanket Contractual Liability and Products and Completed Operations Liability.

G. COMPREHENSIVE NO-FAULT AUTOMOBILE LIABILITY INSURANCE

The ESCO shall procure and maintain in effect, during the life of this agreement, Comprehensive No-Fault Automobile Liability Insurance with residual limits of \$1,000,000 each occurrence for Bodily Injury and Property Damage Liability, \$1,000,000 Uninsured and Under Insured Motorist Insurance and \$5,000 per insured auto medical payments. Such coverage is to include Employer's Non-Owned and Hired Liability and is to cover all vehicles owned, leased, operated by, or for, or on behalf of the ESCO.

H. UMBRELLA LIABILITY INSURANCE

The ESCO shall procure and maintain in effect, during the life of this agreement, an Umbrella Liability Policy which will apply in addition to those insurance coverages specified in Sections F and G above. Such policies shall have a limit of liability of \$5,000,000 for each occurrence and \$5,000,000 aggregate.

All insurance listed in Sections E through H shall be written with a Best's Insurance Rating of no less than A-8 Class VIII. All such policies of insurance shall be primary and non-contributory and shall name the Owner as additional insured. All property damage liability insurance must be on a replacement coverage basis and also include actual expenses incurred on the loss of use of any such tangible personal property. All such policies of insurance shall include coverage under the Scaffolding Act and shall be written by companies approved by the Owner. All insurance shall be continuously maintained throughout execution of the project and updated as needed throughout the project. All such policies shall require at least 30 days advanced written notice to the Owner in the event of a proposed non-renewal, cancellation, modification of any kind and/or expiration of the term. If the Owner is damaged by the failure of the ESCO to maintain such insurance or by the application of deductibles or failure of the insurance company to pay in full any claim, then the ESCO shall bear all reasonable costs properly attributed thereto.

I. INDEMNIFICATION

Certificates of Insurance evidencing all the above referenced insurance coverage shall be delivered to the Owner by the ESCO upon the execution of the final agreement and shall include a clause which states that the ESCO shall defend, indemnify and hold the Owner and its Board of Education, its officers and employees (hereinafter "Indemnities") harmless from any and all claims and judgments to which the Owner and Indemnities may be subjected or which it may suffer or incur by reason thereof.

Additionally, the ESCO agrees to indemnify, defend and hold the Owner and Indemnities harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, arising out of, connected with, or resulting from the negligence or misconduct of the ESCO or its employees or other agents in connection with its activities within the scope of this agreement, insofar as any such loss or claim is not covered by available insurance proceeds. The duty to indemnify will continue in full force and effect notwithstanding the expiration or early termination of this agreement with respect to any claims, based on facts or conditions which occurred prior to termination.

J. BONDS AND INSURANCE

The successful proposer will be required to execute a bond, with sureties acceptable to the Owner. The bond shall be executed to the Owner and to be continued for the faithful performance and fulfillment of the agreement and to include the protection of the Owner from all liens and damages arising out of the work and to be conditioned for the payment of all labor and materials used in the work and the protection of the Owner from all liens and damages arising therefrom, the bond shall be in the amount (equal to one hundred percent [100%]) of the total amount of ESCO's initial investment in the work and project as calculated at the time the proposals were received).

Insurance policies required under this agreement to be carried by the ESCO shall state that they shall not be changed or canceled without thirty (30) days' prior written notification to the Owner. Upon written request at any time prior to or during the term of this agreement, the Owner and Indemnities (a) shall be named as an additional insured under any or all insurance policies required to be maintained by the ESCO and (b) shall be provided with insurance company certificates certifying that such policies are in full force and effect.

K. STANDARDS OF SERVICE

The ESCO will maintain and operate the equipment in a manner that will provide the standards of service and comfort (i.e., heating, cooling, hot water, lighting and so forth) described in the technical appendices (as submitted by ESCO and approved by the Owner). Specific lighting levels shall be maintained per the Technical Appendices and the Illinois Life Safety Code for Public Schools (lighting measurements to be taken with curtains closed at desk height).

L. ARBITRATION

Any dispute, controversy or claim arising out of or in connection with relating to this agreement or any breach or alleged breach hereof, shall, upon the mutual agreement of both parties involved, be submitted to and settled by arbitration at the locality where the Owner's facilities are situated in conformance with rules of the American Arbitration Association then in effect (or at any other place or under any other form or arbitration mutually acceptable to the parties). Any award rendered shall be final and conclusive upon the parties, and a judgment thereon may be entered in the highest court of a forum, state or federal, having jurisdiction. The expenses of the arbitration shall be borne equally by the parties to the arbitration, provided that each party shall pay for and bear the cost of its own experts, evidence and counsel.

M. COMPLIANCE WITH LAW AND STANDARD PRACTICES

The ESCO shall perform its obligations hereunder in compliance with any and all applicable federal, state and local statutes, laws, rules and regulations, including applicable licensing requirements, in accordance with sound engineering and safety practices and in compliance with any and all reasonable rules of the Owner relative to its facilities. The ESCO shall be responsible for obtaining all governmental permits, consents and authorizations as may be required to perform its obligations hereunder. Illinois Prevailing Wage Act shall be applicable to and utilized by the ESCO in the performance of all work on the project. See Attachment No. 3 for current wage rate listing.

SECTION VII

ATTACHMENTS

ENERGY PERFORMANCE CONTRACT WORK

Mechanical Renovations and Energy Conservation Work
at
Peotone Elementary School

ATTACHMENT NO. 1

Energy Performance Contracting Work
ESCO Profile Form

1. Organization Name _____
Business Address _____
City _____ State _____
County _____ Zip Code _____

1a. Names and Titles of Two Contact People

1) _____ Phone (____) _____
2) _____ Phone (____) _____

1b. Submittal is for Parent Company
 Division
 Subsidiary
 Branch Office

List any Division or Branch Offices which are to be included in the Prequalification Rating. (Attach separate list if more than one is to be included.)

Name of Organization

Address

2. Date Prepared _____

3. Type of Organization Corporation
 Partnership
 Sole Ownership
 Joint Venture

4. Federal Employer Identification Number _____

5. Year Organization was Established _____

6. Name and Address of Parent Company, if applicable.

7. Former Organization Name(s), if applicable.

8a. Please indicate if your Organization is a recognized Minority Business Enterprise.

Yes No

8b. If yes, please indicate the appropriate category.

American Indian Spanish Surname
 Asian-American Female-Owned
 Black Other _____

9. Five-year summary of contract values for energy related services (insert Index Number).

					Index	
					#	<u>Range of Contract Values</u>
					1	Less than \$ 100,000
					2	\$ 100,000 - \$ 200,000
2010	2011	2012	2013	2014	3	\$ 250,000 - \$ 500,000
					4	\$ 500,000 - \$ 1 Million
Index #	_____	_____	_____	_____	5	\$ 1 Million - \$ 2 Million
					6	\$ 2 Million - \$ 5 Million
					7	\$ 5 Million - \$10 Million
					8	\$10 Million - \$25 Million
					9	Greater than \$25 Million

Note: All questions must be addressed by the ESCO organization in order for this qualification form to be properly completed. Failure of the ESCO to answer any question or comply with any directive contained in this form may be used by the Owner as grounds to find them ineligible. If a question or directive does not pertain to your organization in any way, please indicate that fact with the symbol N/A. For additional space, attach 8-1/2" x 11" sheets and indicate reference number (i.e., 12a, 12b, etc.) to correspond with each question.

10. CORPORATE BACKGROUND / HISTORICAL DATA

10a. How many years has your organization been in business under its present name?

___ Years

10b. Indicate all other names by which your organization has been known and the length of time known by each name.

10c. How many years has your organization been involved in energy-related business?

___ Years

10d. Please identify all states in which your organization is legally qualified to do business.

11. PERSONNEL INFORMATION

11a. Please attach the resumes of the principal individuals who will be directly responsible for this project. Please indicate the specific qualifications of each individual and the role they will play for the duration of the contract. Clearly identify who will have the primary responsibility for general project management, construction superintendent and technical analysis and design input for the project.

11b. Please give the number of years of design and construction experience for each of the above individuals and describe all supervisory responsibilities; please provide a list of comparable projects each individual has been associated with during the last five (5) years including type of project and size.

11c. Please identify your organization's legal counsel for this project. Give the name and address of the primary individual responsible for contract negotiation.

12. FINANCIAL REFERENCES

12a. Please attach your organization's most recent annual report.

12b. Please attach your organization's three (3) most recent year-ending Statements of Financial Condition, including balance sheet and income statement.

12c. Please provide the name, address and the telephone number of organization(s) that prepared your Financial Statements.

12d. Please describe how your organization has internally accounted for the energy savings guarantee in past projects and how your organization proposes to account internally for the guarantee to Owner.

13. PROJECT HISTORY

On separate sheets of 8-1/2" x 11" paper (per project), please briefly describe a minimum of five (5) Illinois public school energy performance contracts which your organization has managed. Please put an asterisk by those project references involving buildings similar to the building(s) described in this project. Number each heading as follows.

- 13a. Project
- 13b. Location
- 13c. Project Amount (installed project costs)
- 13d. Source of Funds
- 13e. Type of Contract (i.e., shared-savings, lease purchase, guaranteed savings)
- 13f. Owner
- 13g. Designer: Name(s) of primary technical design personnel
- 13h. Start and End Dates
- 13i. Projected Annual Energy Savings (Therms, KWH, KW, Gallons)
- 13j. Achieved Annual Energy Savings (Therms, KWH, KW, Gallons)
- 13k. ESCO Notes or Comments
- 13l. Please provide the names and telephone numbers of the owner(s) representatives with whom your organization has done business on each of the projects listed in your summary.

14. AUTHORIZATION

14a. Dated at _____

this _____ day of _____ 20__.

Name of ESCO Organization:

By _____

Title _____

15. NOTARY STATEMENT

15a. Mr./Ms. _____ being duly sworn deposes and says that he/she is the
_____ of _____, ESCO organization(s) and that
answers to the foregoing questions and all statements therein contained are true and correct.

15b. Subscribed and sworn before me this _____ day of _____ 20__

Notary Public _____

My Commission Expires _____

**ENERGY CONSERVATION MEASURE SUMMARY TABLE
 Mechanical Renovations and Energy Conservation Work – Peotone ES
 (ATTACHMENT 2A)**

FACILITY	ECM NO.	ECM DESRIPT.	TOTAL PROJECT SAVINGS	TOTAL PROJECT COST	SIMPLE PAYBACK PERIOD	LIFE CYCLE COST	UTILITY SAVINGS		TOTAL UTILITY SAVINGS	OPERATIONAL SAVINGS				TOTAL
							NAT. GAS	ELECT.		MATERIAL SAVINGS	LABOR SAVINGS	SUBCONTRACTOR SAVINGS	OPERATIONAL SAVINGS	

CASH FLOW SUMMARY TABLE
 Mechanical Renovations and Energy Conservation Work
 (ATTACHMENT 2B)

YEAR	UTILITY COST	ENERGY SAVINGS	OPERATIONAL SAVINGS	TOTAL SAVINGS	PROJECT COST	FINANCE COSTS	TOTAL PROJECT COST	SERVICE AGREEMENT	ANNUAL CASH FLOW	CUMULATIVE CASH FLOW
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										

1. PERCENTAGE UTILITY COSTS ARE ANNUALLY INFLATED

2. PROJECT ASSUMPTIONS:

- AMOUNT FINANCED
- FINANCE COST
- TERM OF AGREEMENT
- INTEREST RATES

ATTACHMENT 3
ILLINOIS DEPARTMENT OF LABOR
PREVAILING WAGE RATES

This project shall require compliance with Illinois prevailing wages including fringe benefits. Refer to the attached project specification manual for current rates.

SECTION VIII

TECHNICAL APPENDICES

ENERGY PERFORMANCE CONTRACT WORK

Mechanical Renovations and Energy Conservation Work

Mechanical Renovations and Energy Conservation Work

A. LOCATION: 426 N. Conrad Street
Peotone, IL 60468

B. CONTACTS: Mr. Kirt Hendrick
Business Manager

Phone: 708-258-0991

C. OPERATING SCHEDULE:

Weekdays: 7:45 am – 3:45 pm
Weekends: Not in Class
School Year: See Calendar
Summer Office: 7:30 am – 3:00 pm

D. FACILITY SIZE:

Approximately 45,272 sq. ft.

E. TEMPERATURE SET POINTS:

Winter: 72 (Occupied)
65 (Unoccupied)

Summer: 76 (Occupied and air conditioned areas).
No air conditioning (unoccupied).

F. ASBESTOS ABATEMENT:

1. The building's Asbestos Management Plan is available from the Owner for your review.
2. For each ECM where abatement will be necessary, ESCO shall include within the ECM description of a summary of abatement required, and disclose the price for asbestos abatement.
3. ESCO shall disclose the abatement contractor used to obtain the allowance(s), and show evidence of no fewer than 5 school asbestos abatement project references for the abatement contractor.
4. The Owner shall be responsible for hiring the abatement management/monitoring professional, and that cost will be added to the abatement cost in the final performance contract.
5. All abatement within this Performance Contract must be performed within applicable local, state, federal and school laws and codes.

G. LIGHTING LEVELS:

ESCO SHALL PROVIDE: MINIMUM MAINTAINED LIGHTING LEVELS WITHIN THEIR DESIGN FOR THE TYPICAL BUILDING AREAS

AREA DESCRIPTION	MINIMUM FOOTCANDLE LEVEL – MAINTAINED
Classroom	
Corridor	
Offices	
Library	
Gymnasium	
Kitchen	
Washrooms	

1. Vertical surface illumination at the chalkboard in classrooms shall be minimum of thirty percent of the general task illumination.
2. Maximum to minimum lighting levels shall not exceed 2.5 to 1.0 in each area.

H. ENERGY BILLS:

1. The past twenty-four (24) months of utility bills will be available through the Owner.

I. ENERGY CONSERVATION MEASURES:

1. The ESCO RFP response should include the following "Primary" ECMs as a minimum. ESCO should also include any additional ECMs that are determined viable during their evaluation (where one (1) equipment manufacture is listed in the primary ECM the Owner will only consider other manufacturers if listed separately with associated cost in ECM Summary Schedule).
2. Sets of original building mechanical PDF's are available through the Owner.

**PRIMARY ECMs - Mechanical Renovations and Energy Conservation Work
Peotone Elementary School**

J. ECM#1: New Boiler Plant

1. East and West Boiler Rooms: Provide demolition of all mechanical, control and electrical as needed for boiler replacement.
 - a. (Emergency Power) Provide a new generator. New emergency distribution panels are to be located in the boiler room.
2. New Boiler Plant: Provide a new hot water heating boiler plant consisting of high efficiency condensing boilers to replace the existing steam and hot water boiler heating plants.
 - a. Provide a new 2-pipe heating/cooling (H/C) variable speed primary pumping and piping system to distribute H/C water throughout the facility. Pumping/piping system to be sized for cooling requirements. Provide calculations for sizing new chiller capacity.
3. Existing Steam Heating Equipment:
 - a. Provide for demolition of all steam and hot water piping and devices not used in the new dual temperature central plant.
4. Temperature Controls:
 - a. Replace existing pneumatic control system in its entirety with new direct digital controls (DDC) connected to BAS system. New controls to match existing high school sequences and monitoring functions. Provide integration of new digital control to existing BAS front end.
 - b. Provide new DDC controls for new boiler plant, new air-handling systems and miscellaneous systems connected to new BAS system.
 - c. Provide ON/OFF control for existing exhaust fans and lighting currently not controlled by BAS system – field determine quantities.

K. ECM#2: Ventilation Upgrades

1. Replace fin tube radiation with ventilating units with heating and cooling capability.
2. Replace all cabinet heaters, unit heaters, and fan coil units with new units capable of heating and cooling.
3. Provide new fan systems for Gym, Library, Office, and Teacher's Lounge areas.

L. ECM#3: Lighting Upgrades

1. Replace fluorescent light fixtures with LED technology.
2. Provide motion sensors for occupancy control along with Day Light Harvest control.
3. Provide new LED Exit Lighting, Emergency Lighting, and Exterior Lighting.

M. ECM #4: External Door System Upgrades