

SUPERIOR CENTRAL SCHOOLS
REQUEST FOR PROPOSALS
ENERGY SAVING CAPITAL IMPROVEMENT PROJECTS
ON A
PERFORMANCE CONTRACTING BASIS

May 11, 2009

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NOTICE IS HEREBY GIVEN THAT THE BOARD OF EDUCATION OF SUPERIOR CENTRAL SCHOOLS ("OWNER") WILL RECEIVE SEALED BID PROPOSALS UNTIL June 1, 2009 AT 12:00 P.M. E.S.T. AT THE SUPERIOR CENTRAL SCHOOLS SUPERINTENDENT'S OFFICE LOCATED AT Eben Junction, MI 49825. THE BOARD OR ITS DESIGNEE WILL OPEN AND READ ALOUD EACH RECEIVED BID AT A PUBLIC MEETING AT 12:00 P.M. ON June 1, 2009, AT THE SUPERIOR CENTRAL SCHOOLS SUPERINTENDENT'S OFFICE LOCATED AT Po Box, 148 Eben Junction, MI 49825

THE PROPOSAL WILL BE TO FURNISH A ENERGY SAVING CAPITAL IMPROVEMENTS PROGRAM ON A PERFORMANCE CONTRACTING BASIS

A MANDATORY SITE VISIT IS REQUIRED OF INTERESTED BIDDERS ON TUESDAY, May 19 2009 AT 12:00 P.M., E.S.T. LOCATED AT Po Box 148 Eben Junction, MI 49825

The Board of Education will not consider or accept a proposal received by the Board after the above-specified date and time for Proposal submission.

At the above-specified time and place for receiving proposals the Board of Education, acting by its designee, will publicly open and read all timely-received Proposals. Each Proposal shall be accompanied by a sworn and notarized statement disclosing any familial relationship that exists between the Owner or employee of the party submitting the Proposal and the Superintendent or any member of the Board of Education. The Board of Education reserves the right to waive any irregularity or informality in its Request for Proposals ("RFP") process, to reject any or all Proposals, to award Program components by component, group of components, or total Program, and to accept the Proposal or Proposals which the Board determines will perform in the Owner's best interests, and not the lowest or any other Proposal. Proposals are to be presented in accordance with the RFP specifications. For a copy of the RFP or more information call Superior Central Schools at 1 (906) 439-5531

SUPERIOR CENTRAL SCHOOLS

REQUEST FOR PROPOSAL

ENERGY SAVING CAPITAL IMPROVEMENT PROJECTS ON A PERFORMANCE CONTRACTING BASIS

Superior Central Schools (the "Owner") is requesting proposals for the implementation of energy saving capital improvement projects on a performance contracting basis. The Owner's objective in issuing this Request for Proposal ("RFP") is to obtain competitive bids by which it will select a single vendor ("Vendor") to design and manage the implementation of a comprehensive turn-key energy saving capital improvements program, which in accordance with MCL 380.1274a, will be paid for by savings in existing and future budget allocations.

The goals of the Project are:

1. Provide a comprehensive program for the Superior Central Schools that may include installation of energy saving capital improvements. The specific nature of the capital improvements is left to the Vendor's judgment but must be clearly identified in your proposal.
2. Provide a more comfortable environment for building occupants. This may include repair or modernization of existing heating, ventilation, air conditioning, or lighting services. The specific nature of repair or modernization is left to the Proposer's judgment, but must be clearly identified in your proposal.
3. 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 performance contracting vendor to the extent that the vendor is providing energy conservation measures on a guaranteed basis.
4. The Proposal's energy savings shall not be based upon the partial reduction in the Owner's staff or the purchase of deregulated electricity and/or natural gas, though Vendors may offer recommendations on deregulated energy supplies for the benefit of the Owner. Such recommendations shall be separate from any statement of energy savings.
5. Owner will incur no start-up costs. The successful vendor shall provide a financial package that will show net benefits to the district not to exceed a 10 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 of financing any costs of the Project. It is the intention of Superior Central Schools that capital improvement and program funding will come from existing budget allocations. Any applicable training, operational and/or maintenance services as part of the performance contract must come from existing budget allocations generated from capital improvements and services. The costs of the Project shall be wholly offset by the energy conservation and operating savings of utility and/or maintenance cost reductions (not including staff reductions).
6. In accordance with MCL 380.1274a, all energy savings in this project must be guaranteed according to the International Performance Measurement and Verification Protocol (IPMVP)

published in January 2001. Baseline data and assumptions will be agreed upon by the Owner and the successful Proposer.

COMPONENTS OF PROPOSALS

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

1. Corporate background, name and address of firm.
2. Project management plan, corresponding schedule and responsibilities.
3. Identify and adequately describe all proposed energy conservation measures. Attached is a potential Scope of Work (Attachment A), including indication of energy conservation measures the Owner prefers to have analyzed and potentially included in the Proposal.
4. A summary of savings, of the work to be performed by category:
 - 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. The total installation contract price shall separately state any possible state sales taxes and federal excise taxes, and the Proposer's representation as to whether, or to what extent, such state sales taxes or federal excise tax are applicable. The Owner, upon request, will provide the Vendor with properly executed tax exemption certificates or tax exemption numbers, but the Owner makes no representation that this project is exempt from sales or use taxes. All taxes required by law shall be paid by the Vendor.
 - I. 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.
5. Training program, including statement of costs.
6. Cash flow analysis.
7. A detailed breakdown of the energy performance savings to be derived each year and for the duration of the energy savings performance contract, including at least all of the following:
 - A. Projected energy conservation savings and operating and maintenance cost savings resulting from the project and whether such savings would be guaranteed
 - B. Description of the guaranteed energy use and operating and maintenance cost savings and tasks to be performed under the energy saving performance contract
 - C. The combined total net cost of all of the energy conservation measures in the project
 - D. The simple payback period
8. Provide estimated savings measurement in energy units and dollars. Provide statement of methodologies for calculating each element of guaranteed energy savings. A certification that measurement and verification techniques for determining cost savings will be performed in accordance with protocols published in January 2001 by the International Performance Measurement and Verification Protocol Inc.
9. 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.

10. A list of five (5) references of similar size projects your firm has completed within the last five years in the Michigan K12 market. Include contact persons and phone numbers, scope of work, services provided and savings guaranteed.
11. Proposal to be signed by an authorized company official and must contain sworn and notarized testimony that there is not a familial relationship that exists between the owner or any employee of the bidder and any member of the board, intermediate school board, or superintendent of the Superior Central Schools.
12. An express itemized statement of all warranties on specific products included in the Proposal in addition to a minimum one-year guarantee of all materials and workmanship that must be included as part of the Proposal.
13. An assurance that all work shall be performed in accordance with all applicable laws, rules, regulations, codes and standards.
15. 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)

INSTRUCTIONS FOR SUBMITTING PROPOSALS

Respondents shall submit one (1) originally signed, five (5) paper copies and one (1) copy on CD-ROM in "pdf" format of their Proposal. Proposals shall be sealed and clearly labeled "Performance Contracting RFP". Proposals are due at 12:00 p.m. E.S.T. on June 1, 2009 at the following address:

Superior Central Schools
Superintendent's Office
PO Box 148 Eben Junction, MI 49825

Respondents shall submit a bid bond or other bid security in the amount of 5% of the total costs associated with the project.

Any proposal may be withdrawn or modified by written request made by the vendor, provided such request is received by the Owner at the above address prior to the date and time established for receipt of proposals. Proposals not so withdrawn shall constitute a firm offer to provide the services contained therein and shall remain firm for acceptance for sixty (60) days. Submittal of an unwithdrawn bid shall constitute a presumption that all aspects of the Scope of Work are included in that bid.

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.

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

The Owner reserves the right to reject any or all proposals, to award the contract to the lowest responsible bidder (determined in the Owner's sole discretion), to accept any or all alternatives, to waive irregularities and/or informalities and, in general, to make the award in any manner deemed by it, in its sole discretion, to be in the best interest of the Owner.

Questions regarding this RFP shall be directed to: Pam Morris
pmorris@maresa.org

All questions and responses shall be forwarded to every bidder.

CONTRACT REQUIREMENTS

References to "Contract" in this RFP mean the Contract with a Vendor for installation/implementation of the Program by the Vendor resulting from the Owner's formal, Board-authorized acceptance of the Proposal of the successful Proposer (the "Vendor").

INSURANCES

The successful vendor shall procure and maintain during the life of the agreement the following insurance coverages 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 \$1,000,000 each occurrence for Bodily Injury Liability and Property Damage Liability. In addition, the successful vendor will procure and maintain an Umbrella Liability policy in the amount of \$2,000,000. 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 written for the greater of limits not less than the limits of liability specified or required by the law OR primary coverage of \$1,000,000 per occurrence on an occurrence basis coverage shall be maintained without interruption from date of commencement of operations under the Agreement until the date herein 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) Vendor shall not be responsible for indemnifying the Owner for any damage or claim arising from the sole negligence of the Owner.

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. The Vendor will be fully responsible to the Owner for the acts and omissions of subcontractors and of all persons whether directly or indirectly employed by the Vendor. 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 moneys 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 Vendor 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 prime contractor or any subcontractor removed from the project.

ONE YEAR GUARANTEE

The successful vendor shall, at a minimum, guarantee all materials and workmanship against defects arising from normal usage for a minimum period of one (1) year 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 seventy-two (72) hours 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 Law means each and every Federal, State and Local law, statute, act, rule, regulation, and ordinance. 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.

ATTACHMENT A

SUPERIOR CENTRAL 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 4% escalation rate.
- J. Each ESCO will utilize \$15,000/year for operational expenditures.
- K. Financing rate of 4.5% and 0% can be utilized.
- L. Term of contract shall not be greater than 10 years.

ATTACHMENT B

PROPOSER ACKNOWLEDGMENT 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.

Name of Company:

Address:

City/State/Zip:

Phone/Fax:

Representative/Title:

Signature:

Date:
