

KENTUCKY DEPARTMENT OF EDUCATION
REQUEST FOR PROPOSALS
for
Guaranteed Energy Savings Contracts

School District Name:	Morgan County Public Schools
School District Address:	155 University Drive, West Liberty, KY 41472
Project:	Guaranteed Energy Savings Contract (GESC)
RFP Date:	November 1, 2023
Contact Name:	Ralph W. Hamilton/Joseph Gamble
Contact Title:	Superintendent/Director of Buildings & Grounds
Contact Address:	155 University Drive, West Liberty, KY 41472
Contact Phone:	606-743-8002
Contact Email (Optional):	ralph.hamilton@morgan.kyschools.us/joseph.gamble@morgan.kyschools.us

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1. ANNOUNCEMENT

- A. The Morgan County Public Schools Board of Education will receive Proposals from Qualified Providers for services to be provided under KRS 45A.352 – Guaranteed energy savings contracts involving local public agencies.
- B. The intended Project is for the identification, design, and implementation of energy conservation measures on a guaranteed energy savings contract basis.
- C. Interested and Qualified Providers can receive a copy of the official Request for Proposals (RFP) by submitting a one-page letter of interest to:

Morgan County Public Schools
Attn: Ralph W. Hamilton/Joseph Gamble
155 University Drive
West Liberty, KY 41472

- D. An authorized representative of the School Board will receive the Proposals until 1:00 PM on December 18, 2023, at the following address:
155 University Drive, West Liberty, KY 41472
Proposals received after this date will not be accepted. (Owner shall allow a minimum of 45 days for respondents to prepare Proposals).
- E. Proposals shall comply with the format requested.
- F. Proposals shall be enclosed in envelopes or containers which clearly indicate a Proposal for Services provided under KRS 45A.352.
- G. Responding providers will be required to meet 702 KAR 4:160 and certain qualifications set out in the RFP and which include the following:
 - 1. Evidence of experience providing guaranteed energy savings contract services in accordance with KRS 45A.352;
 - 2. Evidence of ability to provide required insurance;
 - 3. Evidence of ability to provide Performance and Payment Bonds;
 - 4. Ability to provide experienced office and field staff and design professional support;
 - 5. Completion of KDE Non-Collusion Affidavit
(Owner may add other specific project qualifications if required)
 - 6. Accreditation by the National Association of Energy Service Companies in the ESCO or ESP categories
- H. Questions concerning the RFP or the project details shall be made in writing to the Owner's designated contact person. Interested firms shall have no contact with any members of the Selection Committee, Board Members, or Board Employees about any matters relating to this solicitation, other than the designated contact person. Any breach of this provision shall be grounds for disqualification from the selection process.
- I. Ownership of all data, materials, and documentation originated and pursuant to the RFP shall be subject to public inspection in accordance with prevailing public access laws.
 - a. The Owner reserves the option of electing not to move forward with the project if the selection committee determines it is not in the best interest of the district.
- J. This RFP is subject to KRS 45A.455 prohibition against conflict of interest, and gratuities and kickbacks.

2. INSTRUCTIONS TO PROPOSERS:

A. Preparation of Proposal:

1. The respondent is expected to comply with all specifications, terms, conditions, and instructions contained in this RFP. Failure to do so will be cause for rejection.
2. The Proposal should be prepared simply and economically, providing a straight forward concise description of the proposer's capabilities to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content. Each copy of the Proposal, and all documentation submitted with the Proposal, should be bound in a single volume where practical. The Owner will not be responsible for any costs incurred by respondent in preparing or presenting the Proposal.
3. Any exceptions taken to the terms and conditions of this RFP shall be clearly identified. If no exceptions are listed it will be concluded that the respondent will meet, in every detail, the conditions stipulated in this RFP.

B. Cost of the Contract:

The estimated cost of the contract and the Proposal schedule shall be identified in the Proposal. The contract shall be negotiated at the completion of the selection process in accordance with KRS 45A.352 and KRS 162.070.

C. Submission of Proposal:

Respondents shall complete a RFP package which includes responses to Section 11 of this document.

Proposals shall be addressed to:
Morgan County Public Schools
Attn: Ralph W. Hamilton/Joseph Gamble
155 University Drive
West Liberty, KY 41472

D. Number of Copies:

The respondent shall furnish (2) copies, minimum, of the completed RFP package.

E. Form of Agreement:

The form of agreement to be used shall be the current American Institute of Architects (AIA) document(s) required by 702 KAR 4:160.

F. Conditions:

1. The selected provider shall furnish all utilities required for the provider's on-site office and/or operations for the duration of the contract.
2. The selected provider shall furnish Payment and Performance Bonds, from a bonding institution listed in the current edition of the Federal Register, in an amount equal to 100% of the Proposal price as surety for the faithful performance of this contract. Bonds shall be kept in force for the duration of the contract; and, executed by a resident agent of the Commonwealth of Kentucky; and, be in compliance with applicable Kentucky

Revised Statutes.

3. Existence of insurance required hereunder shall be established by the furnishing of Certificates of Insurance issued by insurers duly licensed within the Commonwealth of Kentucky. Insurance shall be in force on the date of execution of the Contract and continued for a period equal to the duration of the project.
4. Provider shall include design professional services as required by KRS 322 and KRS 323. Provider's design consultants shall maintain Professional Liability Insurance as stated in the AIA Document A141™ – 2004, Standard Form of Agreement Between Owner and Design-Builder – KDE Version, and related Exhibits required by 702 KAR 4:160.
5. Insurance shall include coverage as stated in the AIA Document A141™ – 2004, Standard Form of Agreement Between Owner and Design-Builder – KDE Version, and related Exhibits required by 702 KAR 4:160.

G. Late Proposal, Modification, or Withdrawal:

1. Proposals received after the designated date will not be accepted.
2. Proposals may be modified or withdrawn by written notice received prior to deadline for receipt of the Proposal. A Proposal also may be withdrawn in person by a respondent or his authorized representative, provided his identity is made known and he signs a receipt for the Proposal, but only if the withdrawal is made prior to the deadline set for receipt of the Proposal.

H. Compliance with State Laws:

Any contracts resulting from this solicitation shall be governed under the laws of the Commonwealth of Kentucky.

3. PROJECT DESCRIPTION

The Morgan County Public School District consists of 9 facilities. The following data shall be used for the utility baselines on this project. The total cost for these utilities was approximately \$630,460 for the baseline period.

BASELINE UTILITY CONSUMPTION

Building	SQ FT	Total Electric Cost	Annual kWh	Annual KW	Natural Gas Cost	Natural Gas Usage (Therms)
Bus Garage	30000	\$40,516	345,984	913	\$4,735	2748
Central Board Office	35388	\$91,602	745,680	2635	\$15,541	9883
East Valley Elementary School	43531	\$46,430	330,720	1743	\$0	-
Ezel Elementary School	24338	\$39,519	309,800	1102	\$0	-
Morgan County High School	108262	\$88,286	718,080	2472	\$3,785	2447
Morgan County Middle School	64975	\$58,691	459,600	1805	\$12,130	7124
Morgan Central Elementary School	61000	\$91,973	729,120	2787	\$0	-
Veterans Memorial Gym	18142	\$43,332	366,336	863	\$16,061	10308
Wrigley Elementary School	59460	\$77,859	601,440	2498	\$0	-
Totals	445096	\$578,208	4606760	16818	\$52,252	32510

Project Overview – Goals or Objectives:

1. The project goals consist of the following:
 - a. Facilitate HVAC renovations.
 - b. Facilitate lighting renovations.
 - c. HVAC Controls upgrade, commissioning and optimization.
 - d. The project shall be structured to minimize the use of restricted funds or capital cost avoidance.

2. The Qualified Provider shall use the following assumptions to prepare their proposal:
 - a. HVAC Operations and maintenance savings for the renovation shall be stipulated at and determined by the District for year one, and then escalated at a rate of 3% per year;
 - b. The rate of energy escalation shall be assumed to be 3% per year;
 - c. Bond issuance costs and interest rate as recommended by the District's fiscal agent.

4. TENTATIVE PROJECT SCHEDULE

(Owner to complete this section)

The following process will be used to select the preferred energy services provider.

Issuance of RFP	November 2, 2023
Due Date of Proposal	[Typically 6 weeks after issuance]
Optional Oral Interviews and Selection of Provider	[2-4 weeks after due date]
Notification of Selection to Provider	[1-2 weeks after presentations]
Letter of Intent	[1-2 weeks after selection]
Final Scope Development	[Typically 60 to 90 days]
Project Completion Goal	January 1, 2025

5. GOALS FOR THE QUALIFIED PROVIDER

- A. To identify and implement energy conservation measures within the context of a guaranteed energy savings contract which:
 - 1. Reduce operating costs
 - 2. Improve classroom environmental conditions
 - 3. Improve maintenance and operation of the facilities
 - 4. Reduce carbon footprint and other negative environmental impacts
- B. To manage and complete the Project within the defined time schedule, approved budget and the quality guidelines.
- C. To represent the best interests of the Owner in the performance of services toward the expeditious and efficient completion of the project.

6. DEFINITIONS

- A. "Qualified Provider" means a person or business experienced in the design, implementation, and installation of energy, water, and wastewater conservation measures and is determined to be qualified by the local public agency.

The Qualified Provider shall be responsible for and shall provide the local public agency with the following information regarding guaranteed energy, water, and wastewater savings contracts:

- (a) Project design and specifications;
 - (b) Construction management;
 - (c) Construction;
 - (d) Commissioning;
 - (e) On-going services as required;
 - (f) Measurement and verification of savings for guaranteed energy, water, and wastewater savings contracts; and
 - (g) Annual reconciliation statements as provided in KRS 45A.352 (8).
- B. "Guaranteed Energy Savings Contract (GESc)" means a contract for the evaluation and recommendation of energy, water, and wastewater conservation measures and for implementation of one (1) or more of those measures. The contract shall provide that all payments, except obligations on termination of the contract before its expiration, are to be made over time and the savings are guaranteed to the extent necessary to make payments for the cost of the design, installation, and maintenance of energy, water, and wastewater conservation measures.
 - C. "Energy Conservation Measures" as defined in KRS 45A.345.
 - D. "Design Professionals" areas as defined in 702 KAR 4:160.
 - E. Other relevant definitions identified in KRS 45A.345.

7. PROVIDER QUALIFICATIONS

- A. Ability to guarantee energy savings as required by KRS 45A.352.
- B. Ability to provide GESc project through demonstration of past projects.
- C. Knowledgeable of current applicable statutes, regulations and codes related to educational building projects in Kentucky.
- D. Knowledgeable of current Kentucky Department of Education (KDE) contract requirements.

- E. Ability to provide Performance and Payment Bonds for 100% of the contract amount from a bonding company licensed in Kentucky.
- F. Ability to provide required insurance.
- G. Ability to provide expertise in the services and cost of GESC projects including design, construction, commissioning, measurement and verification, annual reconciliation statements and on-going services.
- H. Ability to prepare and submit for approval, to KDE, all required documents in proper form and in a timely manner.
- I. Willingness to sign a KDE Non-Collusion Affidavit.

8. GESC SERVICES REQUIRED

The selected Qualified Provider shall provide GESC services as stated in the AIA Document A141™ – 2004, Standard Form of Agreement Between Owner and Design-BUILDER – KDE Version, and related Exhibits, and in accordance with 45A.352, and the following:

- A. List of Final Energy Conservation Measures (ECM's);
- B. Provide detailed description of the recommended Measurement and Verification (M&V) plan for measures with savings guarantees as required by KY 45A.352 (2)(a.).
- C. Final cost of the GESC project including design, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going services;
- D. Final amount of calculated guaranteed savings from the ECMs;
- E. Provide a written guarantee that either the energy or operational costs savings plus capital cost avoidance will meet or exceed the costs of the energy conservation measures within the term of the contract.
- F. Summary of proposed method and costs of financing.
- G. Prepare Design Development Plans for Capital Cost Avoidance ECM's
- H. Final Construction Drawings and Specifications in conformance with the list of ECMs.
- I. Provide the estimated costs of annual reconciliation statements and any required on-going services.
- J. Provide information on your company's approach to training district personnel on new systems and equipment.
- K. Indicate any equipment maintenance service contracts and their costs which will be required by your firm as a condition of the energy services guarantee.
- L. Provide information on your firm's ability to provide other innovative energy services.

9. SELECTION PROCESS

Respondents shall provide the following services prior to the execution of the AIA Document A141™ – 2004, Standard Form of Agreement Between Owner and Design-Builder – KDE Version, and related Exhibits.

- A. **Site Visits** - The Owner has made walk through site visits optional. All Qualified Providers can schedule a walk through site visit with the Owner's designated contact person. All responding companies will be able to conduct a supervised walk-through inspection tour of the buildings described in this document. All Qualified Providers are encouraged to carefully review the facility profile information provided prior to site visits and to visit the facilities in order to enhance their understanding of existing building conditions and opportunities. If needed, additional walk-throughs will be provided at the district's discretion.
- B. **Proposal Review and Selection of Finalists** - The Owner's selection committee shall review and evaluate the written responses to this RFP. The Owner reserves the right to reject any or all responses and to waive informalities and minor irregularities in responses received and to accept any response if deemed in the best interest of the Owner. The Owner may select up to three (3) Qualified Providers for further competition (interviews, oral presentations).
- C. **Respondent Interviews and Oral Presentations** – If necessary, each of the requested Qualified Providers may be asked to participate in a detailed oral interview to answer questions from the selection committee and more fully discuss how its approach to this project satisfies the evaluation criteria set for this RFP. All persons with major responsibility for the project's technical design, management and contract negotiation are encouraged to be present for the interview. Oral presentations and interviews may be recorded. The selection committee will select the highest evaluated Qualified Provider such that scope development will proceed.
- D. **Selection and Technical Scope Development** – The Owner will select the Qualified Provider that best fits its needs; shortly after, the Owner will issue a Letter of Intent. The Owner will work with selected Qualified Provider to develop a preliminary scope of ECMs to be included in the project. Selected ECMs will be investigated and developed prior to final contract.
- E. **Final Scope Development** – The selected Qualified Provider will develop a final scope for the GESC project and detailed pricing along with a final contract for the Owner's approval.

10. RESPONSE TO REQUEST FOR PROPOSALS

- A. Respondents shall be able to provide comprehensive building management and energy services including, but not limited to, the performance of energy audits, the design, selection, and installation of energy efficient systems, ongoing support and training services, assistance in securing financing for the transaction, and a written guarantee of savings. The Owner seeks a broad range of services and capital improvements in order to reduce the consumption and related costs of energy and water use in the schools and facilities listed in this document.
- B. Responses to this RFP should be technically creative regarding modernization, energy conservation, energy management, maintenance, training, and overall service.
- C. Respondents to the request of the proposed energy conservation measures and the

guaranteed savings shall be supported by calculations. Any guaranteed energy and operational savings shall be determined by using one of the measurement and verification methodologies listed in the United States Department of Energy's "Measurement and Verification Guideline for Federal Energy Projects" or in the "North American Energy Measurement and Verification Protocol." The estimated cost of the proposed energy conservation measures shall include engineering, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going services, and proposed method and costs of financing.

- D. The selection of the qualified respondents will be in accordance with the evaluation criteria of KRS 45A.352, based on the responses to the RFP and the ability of the provider to best meet the needs of the Owner. The Owner reserves the right to accept or reject any Proposal based on its sole determination of its best interests. The Owner shall not be required to select any provider based on low cost, payback or other criteria. After selecting a Qualified Provider, the Owner intends to negotiate a GESC with the selected provider. The selected provider must provide all energy calculations used to develop the project.
- E. The commissioner of education shall review and approve or disapprove projects from local school districts relating to energy conservation measures under a guaranteed energy savings contract on the basis of the guidelines given in KRS 45A.352(10).

11. CONTENTS OF THE PROPOSALS

All items below should be included in the response in the same order and in similar format. Include the Certification and signature at the end of this section.

Note: *If more than one firm is involved in a joint-venture, a complete response from each firm is required.*

A. Firm Identification: Please provide the following information about your firm:

*Name
Address
City/State/Zip
Telephone Number
Fax Number
Project Manager Contact Name
Project Manager Contact Email Address
Type of Organization (Sole Proprietorship,
Professional Corporation/Association, Corporation, Partnership, Joint Venture*, Other* - If
Joint Venture or Other provide details)
Audited Annual Report
Summary of Financial Strength
Number of years firm has been in business
Location of any branch offices*

B. Project Organization:

Please provide the following information regarding your proposed project organization for this project:

1. Organization chart, identifying all project staff members by project titles, and showing how each interacts with other staff members assigned to this project. Specifically include principal-in-charge, and project manager.
2. Explain how you plan to provide back-up staffing to ensure continuity if key staff members leave the project.
3. Provide an overview of the project team roles and responsibilities. Include concise resumes of key company employees who will work on this project.
4. Specifically provide information on the licensing and the state of the license of any engineers or architects employed by your firm who will be working on the project.
5. Provide information on construction management capabilities and whether these services are performed by employees or subcontractors and/or consultants.
6. Provide a listing of service and installation capabilities of your firm and whether these services are performed by employees of the firm or by subcontractors and/or consultants.
7. Provide a listing of all subcontracted service providers who may work on this project and any legal contractual relationship to the respondent.

C. Overview

State when the firm was founded, how it is organized, and its operating philosophy.

D. GESC Experience:

Provide the following information on completed projects of a comparable nature over the past three (3) years. (Maximum of ten projects).

Name of Project

Location by city and state

Brief description of the project

GSF of project

GESC cost and year project was completed

Final Guaranteed Energy Savings Amount: \$ and kBtu's/sf/yr

Project Manager and Superintendent Name

Name of owner's representative with address and telephone number

Names and addresses of architects, consultants, and general trades contractor for project

E. Ability to Complete Projects Within Budget and on Time:

Choose not more than five projects listed above, that are most similar to this project and provide the following additional information:

Initial Cost Based on Proposal

Final GESC Project Cost

Total Number of Facilities and Total GSF

Qualified Providers scheduled months for construction activities

Actual months for construction activities

Other demonstrated ability to provide GESC in accordance with 45A.352

F. Project Services:

1. Describe your in-house capabilities in the following areas:

Cost Estimating

Value Engineering

Life Cycle Cost Analysis

Energy Conservation and Energy Budgeting

Building Systems

Specification Writing

Construction Management

2. Discuss your plans for fulfilling the requirements for GESC services of this project.

3. Describe your proposed method of scheduling and phasing for this project.

4. Describe the estimating and cost control methods [guaranteed energy savings] you propose to utilize on this project.

5. In this type of project, what would your recommendation be for field supervision during construction (i.e., number of persons, qualifications and percent of time on the job, etc.)?

6. Discuss your methods of life cycle costing for this project.

7. List the proposed material manufacturer(s) and supplier(s) to be used for this project.

8. List the proposed subcontractors to be used for this project.
9. Describe your team's method of coordinating the efforts of the various trade contractors.
10. How will you maximize the use of local area contractors/suppliers?
11. Cite three examples of how, as Qualified Provider, you have initiated corrective action when deviations from standards of quality, time or budget occurred.
12. Address the company's ability to fulfill the financial guarantee terms and duration of a Guaranteed Energy Services Contract. Include a summary of the extent and stability of business operations related to energy up to the last four (4) projects in Kentucky and/or surrounding geographic area.
13. Provide information on the firm's affiliation with national energy service organizations or other appropriate organizations (NAESCO, ESC, US DOE, etc).
14. Provide information on the firm's primary business and what percentage of the firm's revenue is from energy savings performance contracting.
15. If the firm is a factory-owned branch, specify the legal business classification, state of incorporation and where legal contracts will be executed.
16. Address the firm's representation or affiliation with the manufacturing or installation of any line of energy-related equipment which may be utilized in this project. Specify what that equipment is and how it may impact the project.
17. Address the firm's affiliation, joint venture or contractual obligation to any peer partner which may be used on this project.
18. Describe the company's structure to support the successful implementation of this project.
19. List a five year summary of contract values for energy related services, including an estimate of total value for all energy related contracts that are currently in force.
20. List of Proposed Energy Conservation Measures (ECM's).
21. Recommended Measurement and Verification (M&V) Plan for measures with savings guarantees as required by KRS 45A.352.
22. Initial estimated cost of the GESC project including design, construction, commissioning, measurement and verification, annual reconciliation statements, and required on-going support services.
23. Estimate of energy and operational cost savings from the proposed ECM's.
24. Summary of proposed method and costs of financing with cash flow.

G. Summary Statement:

Provide a summary statement, of not more than three pages, which summarizes the respondent's Proposal, approach and other pertinent information.

H. Experience with the Kentucky Department of Education

Describe your experience working with the Kentucky Department of Education staff and

how you view their role in the design and construction process.

I. School Funding

Generally, describe your understanding of the funding sources that drive decisions made on Kentucky school construction projects.

J. Documents Utilized with Contract

The following documents will be utilized to execute a contract.

1. AIA Document A141™ – 2004, Standard Form of Agreement Between Owner and Design-Builder – KDE Version, and related Exhibits.
2. KDE Non-Collusion Affidavit

K. Add the following "Certification of Information Provided" to your Proposal:

The information provided herein is accurate to the best of my knowledge and can be accepted by the recipient as a true representation of:

Firm Name: _____

Signed: _____

Principal-in-Charge: _____

Date: _____