CITY OF GAUTIER
MEMORANDUM

To: Samantha Abell, City Manager

From: Cindy Steen, Purchasing Agent

Through: Cindy Russell, City Clerk

Date: October 9th, 2013

Subject: Bid Advertisement for an Energy Services Contract

REQUEST:
The Purchasing Division requests approval to advertise for an Energy Services Contract. This advertisement will provide a comprehensive energy management for selected facilities owned or managed by the City.

BACKGROUND:
Scope of Work: this project seeks a broad range of services and capital improvements in order to reduce the consumption and related costs of energy use in the facilities. These services and capital improvements will be provided and financed through an energy services contract. Essential services and improvements sought are those that will reduce energy consumption in the City of Gautier's facilities, upgrade water metering system, improve building operations and maintenance, and aid in meeting environmental management responsibilities.

DISCUSSION:
The Purchasing Division requests authorization to advertise for an Energy Services Contract that will reduce energy consumption in the City of Gautier.

RECOMMENDATION:
City staff recommends that City Council approve advertising for an Energy Service Contract..

The City Council may:

1. Approve advertising for an Energy Service Contract; or
2. Disapprove advertising for an Energy Service Contract.

ATTACHMENT(S):
Advertisement

REQUEST FOR PROPOSAL

Notice is hereby given that the City of Gautier, Mississippi will receive Request for Proposals at Gautier City Hall, 3330 Hwy 90, until 2:00 p.m. on _____, 2013 for the following:

"PROVIDE ENERGY SERVICES UNDER AN ENERGY SERVICES CONTRACT"

Complete packages shall include an original and five (5) identical copies of the Proposals, in a sealed package, clearly marked on the front of the package *Energy Services Contract.* All Proposals must be submitted no later than 2:00 p.m. CST, _____, 2013 to the Purchasing Office, Attn Cindy Steen, 3330 Hwy 90, Gautier, MS 39553, at which time all proposals will be opened and recorded. All proposals received after this time will be returned. Company qualifications will be submitted in accordance with Section 31-7-14 (1)(b) of the Mississippi Code.

Request for RFP packages may be obtained in writing from:

City of Gautier, Mississippi
Attn: Cindy Steen, Purchasing Agent
3330 Hwy 90
Gautier, MS 39553
Or telephone 228-497-3518

Electronic emails may be obtained by emailing Cindy Steen at csteen@gautier-ms.gov.

Questions concerning this RFP shall be directed, in writing only, to Cindy Steen , 3330 Hwy 90, Gautier, MS 39553. 228-497-3518.

The City reserves the right to reject any and all bids and to waive any informality in the proposal accepted.

_____
Cindy Steen
Purchasing Agent
City of Gautier, MS

(SEAL)

Publication Dates:
Mississippi Press:

REQUEST FOR PROPOSAL (RFP)

Issued by

City of Gautier

For an Energy Services Contract

INTRODUCTION

The City of Gautier seeks specific qualifications from interested companies that are capable of providing comprehensive energy management for selected facilities owned or managed by the City of Gautier. A description of these facilities is attached to this RFP.

Pursuant to Miss. Code Ann. § 31-7-14 (1)(b)(ii), the City of Gautier may select the most qualified proposal on the basis of experience and qualifications of the proposers, the technical approach, the financial arrangements, the overall benefits to the entity and any other relevant factors determined to be appropriate.

GENERAL RESULTS DESIRED

The City of Gautier seeks a broad range of services and capital improvements in order to reduce the consumption and related costs of energy use in the facilities attached to this RFQ. These services and capital improvements will be provided and financed through an energy services contract.

The City of Gautier seeks to maximize energy savings and related improvements. Within the framework of available financing, therefore, companies are encouraged to advocate the installation and implementation of improvements providing the greatest possible energy and O&M savings. Essential services and improvements sought are those that will reduce energy consumption in the City of Gautier's facilities, upgrade water metering system, improve building operations and maintenance, and aid in meeting environmental management responsibilities.

REQUIRED SYSTEMS AND SERVICES CAPABILITIES

Company's must have the demonstrated technical and managerial capabilities to address a broad range of building energy systems and provide a comprehensive set of energy services. Energy systems include, but are not limited to, heating, ventilation and air conditioning systems, lighting, windows, insulation and energy management controls, life safety measures that provide long-term, operating-cost reductions, building operation programs that reduce operating costs, other energy-conservation-related improvements, including improvements or equipment related to renewable energy, water and other natural resources conservation, including accuracy and measurement of water distribution and/or consumption, and other equipment, services and improvements providing energy efficiency.

Energy services include, but are not limited to, an investment grade technical energy audit and report; the design, acquisition, installation, modification maintenance, commissioning, monitoring and training in the operation of new and/or existing energy systems which will reduce energy consumption associated with the heating, ventilation and air conditioning system, the lighting system, building envelope, water usage, and other energy using devices, as well as for savings which would not reduce consumption per se, but increase revenue and reduce operational cost, such as automated water metering systems.

OVERVIEW OF TERMS AND CONDITIONS

Financial Review. Detailed financial projections of project benefits are dependent upon the scope of technical retrofits finally selected and installed. It is premature to place a major emphasis on projected financial benefits prior to the completion of a detailed engineering study and negotiation of the project

structure. During contract negotiations, the Company shall disclose cost markups. Open book pricing will be required, such that pricing information or bids on individual products and services will be available for review by the City of Gautier.

O&M Savings. Any O&M cost savings proposed by the selected Company during the engineered study phase will be rigorously reviewed to ensure those savings will be realized.

Investment Grade Technical Energy Audit Report. The technical energy audit report must include estimates of savings for each measure and must include an estimate of all costs including design, engineering, installation, maintenance, repairs and debt service.

DESCRIPTION OF THE PROCUREMENT PROCESS

It is anticipated that the process for the procurement of these energy services will proceed in three stages.

1.) SUBMISSION OF WRITTEN QUALIFICATIONS: The City of Gautier through its designated representatives will review and evaluate the written responses to this Request for Proposal(RFP). Pursuant to Miss. Code Ann. § 31-7-14 (b)(ii), the City of Gautier will select the most qualified firm based on experience and qualifications of the firm. Pursuant to Miss. Code Ann. § 31-7-14 (1)(b)(iii), the City of Gautier will select the most qualified company to proceed into the technical audit stage.

2.) SELECTION OF COMPANY TO DEVELOP PROJECT: Based on the consensus of the Project Evaluation Team and approval by the City of Gautier, the best qualified company will be selected to conduct a complete Energy Analysis of the facility and propose contract terms concerning a complete set of proposed energy improvements, the timetable for completing engineering and construction work, a detailed description of services to be provided, specific financing arrangements and terms, and an estimate of energy savings, as well as special conditions offered by the company. The City of Gautier intends to negotiate a final Energy Services Contract for these services. If an acceptable contract cannot be reached within 90 days from the date of Company selection, negotiations with the second-ranked Company may be initiated.

NOTE - The selected company will be at full risk for development of the project. In the event, that the City of Gautier decides to not move forward with a project, no payment will be made for the engineered study performed.

RESTRICTION OF CONTACT

From the issue date of this RFP until the City of Gautier selects a respondent for award, the contact person listed below is the sole point of contact concerning this RFP. Any violation of this condition may be cause to reject the offending Company's submission. If it is discovered that company has engaged in any violations of this condition, the offending company's response may be rejected or contract award rescinded. Companies must agree not to distribute any part of their submissions. An Company that shares information contained in its submission with other City of Gautier personnel and/or competing Company personnel may be disqualified.

Direct all inquiries concerning this RFQ to: (insert all necessary contact information)

Samantha Abell - City Manager
3330 U.S. 90

Gautier, MS 39553
(228) 497-8017
SUBMITTAL FORMAT

Companies who wish to be considered by the City of Gautier must submit an original and ___6___ copies of their submission. All submissions become the property of the City of Gautier and will not be returned to the company.

The City of Gautier reserves the right to reject any or all submissions and to waive informalities and minor irregularities in submissions received and to accept any submissions if deemed in its best interest to do so. All costs associated with submission preparation will be borne by the submitting company.

PROPOSED PROJECT SCHEDULE

The following schedule is the proposed schedule, and may change during the project.

Activity	Dates
Advertise/Issue RFQ	Weeks 1-4
Responses Due	Week 5
Selection of Company	Week 6
Detailed Audit	Weeks 6-14
Audit Review & Contract Negotiations	Weeks 15-17
Contract Approval	Week 18
Secure Financing	Weeks 19-22

EVALUATION CRITERIA

The criteria listed below will be used in the evaluation of written submissions. These criteria will be applied and interpreted solely at the discretion of the City of Gautier. Written responses should include all necessary information that is pertinent to these evaluation criteria. Additional information required for the proper assessment of written submissions may be requested from the company at the discretion of the City of Gautier. The criteria are not ranked in order of importance.

Experience

Experience of personnel involved in this project.

Documented success of previous projects.

Ability to manage construction and complete all phases of the project on schedule.

Project Management

Clear assignment of responsibility for various tasks to specific individuals.

Quality of approach to project management

Clarity, organization, and level of detail in written submission.

Technical Approach

Quality of understanding the project goals

Reliability of equipment proposed

Quality of training for facility staff.

Quality of Implementation Plan.

Financial

Financial soundness and stability of the Company.

Reasonableness of proposed cost.

Demonstrated ability to arrange project financing.

The establishment, application, and interpretation of the above criteria shall be solely within the discretion of the City of Gautier. The City of Gautier reserves the right to reject any and all submissions.

CONTRACT TERMS AND CONDITIONS

The minimum conditions the City of Gautier will accept from the selected company are described below. This section defines the scope of services related to the technical requirements that will be included in any final contract. It also defines the key contractual provisions.

1. Scope Of Services (Technical Requirements)

   The Scope of Services must be included in any contract the City of Gautier enters into, and must include the following items at a minimum:

   a. Investment Grade Technical Energy Audit and Report. The City of Gautier's proposed contract scope will align with the scope proposed in the engineered study. If the City of Gautier decides not to enter into a contract after the audit report has been accepted, the City of Gautier will not be responsible for reimbursing the company for the study.

   b. Standards of Comfort. Specific standards of comfort, safety and functionality will not be degraded from the existing condition and/or shall meet minimum established industry standards.

   c. Professional Engineer Involvement. A registered professional engineer must, at a minimum, review and approve design work done under this contract.

   d. Limitations of Liability - Liabilities will not be limited under the terms of the contract.

   e. Annual Interest Rate. The annual rate of interest paid under any lease-purchase agreement entered into by the City of Gautier shall not exceed the maximum interest rate to maturity on general obligation indebtedness permitted under §75-17-101 of the Mississippi Code.

   f. Construction Management. The company will be required to work with current building management and maintenance personnel in order to coordinate construction and provide appropriate training in operations and maintenance of all installed improvements. No equipment or other improvements will be installed that would require the City of Gautier to hire additional personnel unless contract negotiations produce an explicit exemption for a specific installation.

   g. Equipment Standardization. All equipment installed shall be of the same manufacturer for standardization of equipment city wide, unless otherwise accepted by the City of Gautier.

   h. Maintenance Manuals. At least __2__ maintenance manuals for each site will be provided for all equipment replacements and/or upgrades at each location. Manuals are subject to approval of City of Gautier.

   i. As-Built Drawings. Where applicable, Company must provide mylar, reproducible "as built" and record drawings (or such electronic equivalents as may be agreed to with the City of Gautier) of all existing and modified conditions associated with the project, conforming to typical engineering standards. These should include architectural, mechanical, electrical, structural, and control drawings and operating manuals within 30 days of completion of installation.

   j. Maintenance Services. . Maintenance services shall be negotiated between the City of Gautier and the selected company and described in the detail in the final contract.

k. City of Gautier Activities. City of Gautier reserves the right to audit or review work during any stage of the implementation.

2. Contractual Provisions

Key elements that must be provided for in any energy services contract that City of Gautier enters into will, at a minimum, include the following:

a. Written Submissions. The contents of the Company's submissions in response to this solicitation will become part of any final agreement between the City of Gautier and the contractor.

b. Meeting Project Schedule. The Company must provide a final schedule of project milestones including equipment-servicing and preventive maintenance provisions that will become part of any final contract. Company is responsible for meeting schedule deadlines.

c. City of Gautier Inspection. The City of Gautier must have the right to inspect, test and approve the work conducted in the facilities during construction and operation. The City of Gautier shall have the right and access to the account books, records, and other compilations of data that pertain to the performance of the provisions and requirements of this agreement. This is covered below by the open book pricing requirement. Records shall be kept on a generally recognized accounting basis, and calculations will be kept on file in legible form and retained for three years after close-out. The City of Gautier retains the right to have its representative visit the site during the analysis and implementation phases of the project, and to attend relevant on-site or off-site meetings of the company and/or its subcontractors.

d. Final Approval of City of Gautier. The City of Gautier retains final approval over the scope of work and all end-use conditions.

e. Repayment of Project Financing. The repayment obligation and term of the financing for this project must be arranged to coincide with the acceptance by the City of Gautier that the project is fully installed and functioning.

f. Property of Drawings, Reports and Materials. All drawings, reports and materials prepared by the City of Gautier specifically in performance of this contract shall become the property of the City of Gautier and will be delivered to the City of Gautier as needed or upon completion of construction.

g. Compliance. All work completed under this contract must be in compliance with all applicable federal, state and local laws, rules and regulations such as building codes and appropriate accreditation, certification and licensing standards. Work must be in accordance with sound engineering and safety practices and in compliance with all City of Gautier regulations relative to the premises. The company and its subcontractors will be responsible for obtaining any and all required governmental permits, consents and authorizations, and for payment of any and all state and city required taxes and fees which result from is contract. The contract must comply with the statutory provisions of §31-7-14 of the Mississippi Code.

h. Handling of Hazardous Materials. All work completed under this contract must be in compliance with all applicable federal, state and local laws, rules and regulations regarding waste disposal and treatment/disposal of any hazardous materials that could result from this project. Work must also be in accordance with sound engineering and safety practices, and in compliance with all reasonable City of Gautier rules relative to the premises. In the event the company encounters any such materials, the company shall immediately notify the project manager and stop work pending further direction from the project manager. The State may, in its sole discretion, suspend work on the project pending removal of such materials or terminate this Agreement.

i. Adjust for Changes. The contract must contain a mutually acceptable clause whereby unanticipated changes can be addressed.

j. Hiring and Wage Requirements. The company will comply with all federal and local requirements for the payment of wages and fair hiring practices.

k. Subcontractor Approval. The City of Gautier retains the right to approve any company selected subcontractor prior to its commencement of work on this project.

l. Bonding Requirements. The company will provide to the City of Gautier assurance of completion in the form of separate performance and labor and material payment bonds, each in the sum of 100 percent of all subcontracts.

m. Company Insurance. Prior to the commencement of work, the Company must provide evidence of the required levels of insurance for both the construction and operations phases of the project.

n. Applicability of O&M savings. Any O&M cost savings related to maintenance and operation of the facilities will be rigorously reviewed and, if agreed to, will be limited to those that can be thoroughly documented and approved by the City of Gautier.

o. Open Book Pricing. Open book pricing will be required, such that the Company will fully disclose all costs.

p. Non-Appropriations Clause. Payments will be subject to annual appropriation in accordance with the provisions contained in §31-7-14 of the Mississippi Code, as amended.

COMPANY PROFILE FORM AND COMPANY QUALIFICATIONS AND APPROACH TO PROJECT

WRITTEN SUBMITTAL INFORMATION

General Information:

Failure to complete any question in whole or in part, or any deliberate attempt by the respondent to mislead the City of Gautier, may be used as grounds to find the proposing Company ineligible.

All submissions become the property of City of Gautier and will not be returned to the Company.

All costs associated with submission preparation will be borne by the submitting Company.

Please use double-sided copying where possible to reduce paper use.

Submit The Following:

a. Company Qualifications and Approach to Project

Quantity: (Number (6); One for each review committee member), including original.

c. Cover Sheet to accompany each of the above submittal, as given below.

To: (City of Gautier), Attention: (Samantha Abell)
RE: Response to RFP - Energy Services

Date: _____
From: _____

Firm Name: _____
Address: _____
General Phone Number: _____

Contact Person Name: _____
Title: _____
Phone: _____
Fax: _____
E-mail Address (if applicable): _____

Submit To:

Samantha Abell - City Manager
3330 U.S. 90
Gautier, MS 39553
(228) 497-8017

Due Date:
Submittal must be received at the above address no later that _____ (insert time) on or before _____(insert date).

COMPANY QUALIFICATIONS AND APPROACH TO PROJECT

Please provide answers to each category listed below. Provide your responses on 81/2" x 11" sheets of paper and number and title each answer to the corresponding category. A table of contents should be included and all pages in your response to this attachment numbered sequentially. The font size should be no smaller than 10 point. Submissions will be evaluated in light of the material and substantiating evidence presented and not on the basis of what is inferred.

1. General Approach

1.1 Project Summary (not to exceed 5 pages)

Summarize the Scope of Services (design, financial, operations, maintenance, training, etc.) that would be offered by your firm for this project. Please include a brief description of your firm's Approach to Project Management and the Specific Benefits to the City of Gautier.

1.2 Training Provisions

Please describe your firm's capabilities and proposed approach to provide technical training for the City of Gautier's facility personnel. Please describe your firm's involvement in developing training manuals for facility staff and indicate any specific areas of training you may likely recommend for this project. Please describe your firm's approach to implementing and measuring the savings associated with behavior modification strategies.

1.3 Company Fee Calculation

Please describe the methods for calculating your firm's fees. Please describe the specific services your firm will be paid for over the contract term. Describe the method by which you will be paid for those services and how often payments will be made. Describe your firm's overhead, profit, and pricing policies for these types of projects. Describe your firm's approach to and experience in providing open-book pricing.

1.4 Provision of Financing

Please briefly describe the types of financing arrangements used by your firm for past projects. Describe your firm's preferred approach to providing or arranging financing for this project including a description of the source of funds and the potential dollar amounts currently available to your firm to finance these types of projects. Please indicate what representative interest rates may be available, financing terms, and other variable economic factors associated with each method that you are aware of at the time of this submission. Describe how construction will be financed. Include your firm's bonding references including company name, address, contact person, telephone number and information on your firm's maximum bonding capability

1.5 Investment Grade Technical Energy Audit

Please give a general description of your technical auditing and analysis procedures and any anticipated involvement of the City of Gautier's personnel in the provision of technical data and/or other support required or to be requested for the audit phase of this project.

2. Site Specific Approach

2.1 Technical Site Analysis

Based on your preliminary assessment of the City of Gautier's facilities and information provided, please describe any equipment modifications, installations or replacements at the facilities that your company would consider installing as a part of this project. Please discuss site conditions, status of building systems, and needs of the City of Gautier.

2.2 Equipment Maintenance Services

Please describe any major changes in operations or maintenance for the facility that your company foresees based on your knowledge and the types of maintenance services likely to be

included in this project. Please address how you would approach the role of the City of Gautier's personnel in performing maintenance on existing and new equipment.

2.3 Project Commissioning
Please describe your firm's approach to equipment commissioning.

2.4 Construction Planning
Please describe your firm's proposed approach to scheduling and completion of work required to implement a energy services contract in the City of Gautier's facility(s).