



Evansville Water and Sewer Utility, Evansville Indiana

REQUEST FOR QUALIFICATIONS

For

Performance-Based Contracting Services and Guaranteed Savings Contracts

November 22, 2010

NOTE: Proposals must be received on or before 5:00 p.m. CST January 18, 2011. Any bids received after this date and time will be returned unopened to the Bidder.

Contact for Request for Qualifications:
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Evansville Water and Sewer Utility, Evansville, Indiana
Request for Qualifications for
Performance-Based Contracting Services and Guaranteed Savings Contracts

The Evansville Water and Sewer Utility, hereafter referred to as "EWSU", of Evansville, Indiana hereby issues this Request for Qualifications (RFQ) for the purpose of providing (1) water and energy audits, (2) design and installation of water/energy efficient equipment and systems, (3) wireless infrastructure improvements, (4) improvements in wastewater treatment processes and methane utilization, (5) training of staff on water/energy education and awareness, (6) monitoring of water/energy costs and systems, (7) financing for the project and (8) a written guarantee that total program costs shall be one hundred percent (100%) covered by the program benefits.

Responses to this RFQ will be received at the EWSU Utility Office located at 1 NW Martin Luther King Jr. Blvd, Room 104, Evansville, IN 47740. Contractor responses must be received on or before 5:00 p.m. CST January 18, 2011. Responses received after 5:00 p.m. CST will be returned unopened to the Respondent. Responses should be labeled, "Guaranteed Savings RFQ."

Request for Qualifications packages can be obtained by contacting Interim Utility Director James Garrard at 812-436-4560 or CIO Matthew Arvay at 812-436-7859 or viewed online at www.evansvillegov.org/ewsu/PerformanceRFQ

Contact with other EWSU, City of Evansville or Vanderburgh County employees, Board Members or elected officials regarding this Request for Qualifications will be considered grounds for rejection of bid proposal.

EWSU plans to select the most qualified contractor for performance-based contracting services in accordance with IC §36-1-12.5 and the (RFQ) Request for Qualifications. The objective in issuing this Request for Qualifications is to solicit proposals of qualifications from companies that have the experience, capability, and track record to identify, design, install, maintain, monitor and arrange financing for a large-scale performance-based contracting program. The final Contractor will be selected by initial review and evaluation of written proposals by a Selection Committee, which may be followed by meetings and interviews.

Program benefits will include, but not be limited to, energy savings, revenue enhancement and operating cost reductions achieved through this program. EWSU is interested in potential improvements to the water and wastewater treatment plants, improvement to lift stations, improved processes sludge/process waste disposal, methane recovery, grease recovery/reuse from EWSU customers, improvements to Wi-Fi communications system and cost reductions and revenue enhancements to the water systems, particularly Automatic Meter Reading systems, as some of the feasible projects.

DESIGNATED CONTACT

All questions regarding this Request for Qualifications should be directed in writing to James Garrard, Interim Utility Director of EWSU at 812-436-4560 or at jgarrard@evansvillegov.org or CIO Matthew Arvay at 812-436-7859 or marvay@evansvillegov.org.

SECTION I – GENERAL INFORMATION

1. Purpose

This Request for Proposal (RFP) request's qualifications from companies for performance-based contracting and guaranteed contract savings services. The goal is to develop and implement energy savings, revenue enhancement and cost reduction strategies. The funds generated from such strategies will be utilized to provide facility and process improvements and upgrades. Timely implementation of this project is of the essence.

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2. Performance-Based Contracting

For the purposes of this document, "Performance-Based Contract" means a contract that provides improvements and upgrades for wastewater and water systems via energy efficient equipment and associated services in which the payment obligation is guaranteed by the performance-based contractor to be less than the program benefits attributable to the equipment and services under the contract for the term of the agreement.

3. Program Benefits Guarantee

The performance-based contractor shall provide a written guarantee in accordance with I.C. 36-1-12.5 - Energy Conservation Measures for Local Governments. The total program costs, including financed equipment cost, initial operating costs, maintenance costs, and other costs, shall be one hundred percent (100%) covered by program benefits. The guarantee shall be monitored monthly and reconciled on an annual basis, commencing one year from the date of completion of installation. Open-book pricing detailing the overall cost of the project(s) will be required. In the event that the actual program benefits are less than the guaranteed program benefits, the performance-based contractor shall provide cash reconciliation of the difference. The performance-based contractor's guarantee shall be a first party direct guarantee from the contractor to EWSU.

4. Experience\Eligible Bidders

Contractor must have the demonstrated capability in engineering and management to provide a broad range of services. Contractor should have a minimum of Four (4) successfully implemented performance based contracts, which should also include successfully implemented Automatic Meter Reading (AMR)/Automated Metering Infrastructure (AMI) projects. .

Provide an Executive Summary and contact information for up to five (5) Guaranteed Energy Services projects that have expanded / continued into subsequent (Phase II) programs. The Executive Summaries should include information to demonstrate your firm's ability to adhere to budget and cost estimates in reference to local government projects.

Provide information on the number and dollar amount of guaranteed savings contracts currently outstanding for your entire firm.

Provide information on the number and dollar amount of guaranteed savings contracts that were missed and paid out to local government entities.

5. Proposal Format

Proposals must be submitted in the format outlined in this document. Each proposal will be reviewed to determine if it is complete prior to actual evaluation. Proposals not containing the information requested may not be considered. Respondents shall use the prescribed format to clearly indicate their experience and qualifications, describe their technical approach to this project, and fully describe their proposed guaranteed performance contract. Proposals will be evaluated in light of the material and substantiating evidence presented in the proposal, and not on the basis of what is inferred.

6. Contract Responsibility

The selected contractor will be required to assume total responsibility for all services offered in the proposal. The selected contractor will be considered the prime contractor and the sole point of contact with regard to all contractual matters.

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7. Required Bonds and Insurance

Prior to award of a contract, the performance-based contractor shall provide EWSU with a 100-percent project value bond for its faithful performance as required by Senate enrolled act 351 I.C. 36-1-12.5 and the (RFQ) Request for Qualifications- Energy Conservation Measures for Local Governments. The successful respondent shall procure and provide proof of insurance for property damage, workman's compensation insurance in accordance with the Worker's Compensation Act of the State of Indiana to adequately protect the interests of the EWSU for all labor employed by the contractor and the following:

Errors & Omissions	\$ 5,000,000
Comprehensive General Liability	\$ 5,000,000 each occurrence
Commercial General Liability	\$ 5,000,000 each occurrence
Single Project Bondability	\$ 25,000,000
Umbrella Coverage	\$ 50,000,000
Comprehensive Automobile Insurance	not less than \$5,000,000

In addition, professional liability insurance coverage shall be in force according to the requirements for engineering design work in the State of Indiana. Evidence of required bonds and insurance shall be presented prior to execution of a guaranteed performance contract. Insurance policies to be carried under the agreement shall not be changed or canceled without prior written notification to the EWSU.

8. Taxes, Fees, Code Compliance

The performance-based contractor shall be responsible for payment of any required taxes or fees associated with the execution of the guaranteed contract. The performance-based contractor shall be responsible for compliance with all applicable codes and statutes. All engineering, design, installation and construction work shall be done by qualified contractors approved by EWSU.

9. References and Proprietary Information

Submission of a response deems permission to make inquiries concerning the respondent and its officers and to any persons or firms deemed appropriate by EWSU. Any proprietary information that the contractor does not want disclosed to the public shall be so identified on each page in which it is found. Data or information so identified will be used by EWSU solely for the purpose of evaluation and contract negotiations.

SECTION II -- RESPONSE FORMAT AND PREPARATION INSTRUCTIONS

Responses must be submitted in the format outlined in this section. Provide one original and eight (8) copies of your responses. All responses must be submitted in a sealed envelope, package, or box plainly marked "Evansville Water and Sewer Utility Request for Qualifications, Performance-Based Contracting Services and Guaranteed Savings Contracts, Attention: James Garrard, Interim Director, EWSU and Matthew Arvay, CIO, City of Evansville with the name of the respondent in the upper left-hand corner. No responsibility will attach to EWSU or the City of Evansville or any official or employee thereof, for the pre-opening of, post-opening of, or the failure to open, a response not properly addressed and identified.

EWSU reserves the right to eliminate from further consideration any response that is deemed to be substantially or materially unresponsive to the requests for information contained in this section. The intent is that all responses follow the same format in order to evaluate each response fairly. Proposals will be evaluated in light of the material and substantiating evidence presented in the proposal, and not on the basis of what is inferred. EWSU shall not be

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liable for any costs incurred by respondents in the preparation of submittals and proposals nor any costs related to any element of the selection and contract negotiation process.

Begin each section and subsection described herein on a separate page. Each page shall have the name of the respondent indicated clearly at the upper right corner of each page.

1. **Table of Contents**

Responses shall include a table of contents properly indicating the section and page numbers of the information included.

2. **Executive Summary**

Responses shall include an abstract of no more than four (4) pages on the information presented in the proposal and the contractor's unique qualifications and services.

3. **Background, Experience & Capabilities**

A. **Background and Firm Profile**

Provide general information on the responding firm, including; name, business address, local telephone number, officers of the firm, and contact person for this project. Indicate the age of the company, number of years in performance-based contracting, number of guaranteed performance contracts, and the firm's approach to performance-based contracting. Also include a complete description of the firm's local branch or office service strength and capabilities.

The respondent shall provide a certificate of insurance detailing their present coverage and limits. The respondent shall also provide their bonding capacity and bonding rate. **Provide the last three years of annual reports, and summarize the financial strength and longevity of the firm. All respondents must submit the last three years of Audited Financial statements for their company.**

B. **Project Team Management**

List the members of the project team. Provide a list of the personnel to be used on this project and their qualifications. A one-page resume including education, experience, and any other pertinent information shall be included for each team member assigned to this project.

Provide the name(s), resume(s), and credentials of your firm's local management personnel, and the number of local staff and their technical backgrounds (include number of resident engineers, technicians, support staff and management). Provide information on your firm's project management, maintenance support capabilities and training services.

Provide information on the local resources that would be utilized. Estimate of the percentage and the kinds of work which would be accomplished by the firm or subcontractors with employees presently residing in Vanderburgh County, Indiana or Southwestern Indiana.

C. **References**

The respondent shall include references that shall indicate the prior relevant work experience of the prime contractor. References shall be of the type and format described below:

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Performance-Based Contracting - Four (4) references shall indicate completion date of installation, services and equipment provided, guaranteed and actual program benefits, project cost and financing description, contract term, and benefits to the owner. Provide the owner's name, address, telephone number, and contact person for each reference. References for projects where the responding firm was not the **prime contractor** are not acceptable. EWSU is particularly interested in performance-based contracting references in the local government market and should reference two (2) projects that have been successfully implemented for at least 4 years and three (3) current projects to demonstrate firms ability to successfully implement new technology, preferably with one project including AMR and/or Wi-Fi communications.

Please provide an example of your firm's contractual documents for performance and guaranteed savings contract.

D. Maintenance Services

Describe maintenance services provided by the RFQ Respondent, including a description of the service organization and personnel directly employed by the RFP Respondent. Include a list of services provided and the ability to provide service at EWSU's request for all related improvements.

4. Technical Approach

A. Needs Analysis

Indicate the respondent's approach to performing detailed audits, identification and design of improvement measures, and a comprehensive solution that addresses all aspects of energy savings, revenue enhancement and operating cost reductions.

B. Training

Provide detailed information on the training programs available to in-house maintenance personnel, including course content, location, schedule, and number of trainees. The respondent will also include programs available for promoting water and energy awareness among City personnel.

C. Project Management

Indicate your firm's approach to managing the project. Include a timeline showing the necessary activities and schedule for implementation of the project. Describe the various responsibilities and coordination of your team members for effective project management.

D. Program Benefits Projections

Indicate your firm's approach to projecting the program benefits that will be generated as a result of this project. Describe the methodology, formulas, and reporting of the program benefits. Describe the processes and tools used to effectively project these program benefits.

5. Financial Approach

A. Financing Source

Describe the sources and types of financing the respondent will use to implement this project. Indicate the prior use and experience with this method of financing and provide letters of commitment from the financing entity.

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B. Guarantee Documents

Provide a copy of the performance guarantee documents to be used for this project. Describe the reconciliation process of the guarantee.

C. Standards of Service

Describe the method and documentation of standards of service for this project. Describe the contract language for maintenance responsibilities, occupancy schedules, operational cost reductions, and other responsibilities in the guaranteed contract.

D. Program Benefits Calculations and Monitoring

Indicate your firm's approach to proving the financial and technical guarantees associated with the project. Provide the program benefits calculation document, which will become an attachment to the guaranteed contract. Describe the methodology, formulas, and compliance with the International Performance Measurement and Verification Protocol (IPMVP) for calculations and monitoring of program benefits. Describe the processes and tools used to effectively monitor the performance of these program benefits.

6. Other Benefits

Describe any other benefits the EWSU will realize through this financially guaranteed contract.

SECTION III -- SELECTION CRITERIA

1. Completeness

Each response will be reviewed for completeness and adherence to format.

2. Formal Evaluation

A. Evaluation Process

EWSU will appoint a selection committee to formally evaluate each response. The evaluation process will objectively grade the responses on their merit and responsiveness. Responses will be evaluated in light of the material and substantiating evidence presented in the response, and not on the basis of what is inferred. The evaluation process will include verification of performance-based contracting references, verification of project team resumes, confirmation of financial information, and may also include site visits or other information as determined by EWSU.

B. Grading Format

Each section or subsection of the RFQ response will be considered a separate selection criterion and will be graded individually. The maximum possible grand total score for the RFQ response is 100 points. Scoring will be summarized on the Formal RFQ Evaluation Form.

C. Point Values

Experience & Background	45 Total Points
Technical Approach	20 Total Points

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Financial Approach	25 Total Points
Other Benefits	10 Total Points
Possible Grand Total	100

3. Oral Interview

After the formal evaluations, the EWSU *may* decide to conduct oral interviews to address specific issues with selected respondents. The respondent's answers will be graded using the same format as the formal evaluation of the RFQ responses. The maximum possible grand total score of the oral interview will also equal 100 points.

4. Final Selection/Notification

The grand total scores of the RFQ response and the oral interview (if required by EWSU) will be summed. The respondent with the highest sum shall be selected. EWSU will notify the selected firm. EWSU reserves the right to reject any and all proposals at its discretion and choose the most qualified provider.

5. Project Development Agreement (PDA)

Once a final selection has been made, the selected contractor will submit a PDA which, if approved EWSU, will allow the selected contractor to proceed with a detailed audit, engineering design, and financial analysis of EWSU's infrastructure and facilities. If during this phase, it is determined that the project fails to meet the criterion set forth in the PDA, EWSU can terminate the PDA with no financial liability. If the project meets the criterion set forth in the PDA, and EWSU agrees to the scope of work presented, a Performance-Based Contracting Agreement may be implemented at EWSU's discretion, and the contractor will proceed to implement the proposed improvement measures.

6. Reservation of Rights

EWSU reserves the right to terminate this RFQ at any time and at its sole discretion without incurring liability or damages from a prospective Contractor. Additionally, EWSU may choose to exclude potential projects from the scope of improvements proposed by a prospective Contractor.

GENERAL REQUIREMENTS

MINORITY AND WOMEN BUSINESS ENTERPRISE UTILIZATION

The City of Evansville formally adopted a Minority and Women Business Utilization Plan illustrating a commitment to achieving significant utilization of Minority and Women Business Enterprises (M/WBE) in the community's purchasing efforts. Goals have been established to provide an atmosphere of equal opportunity for all vendors and to prohibit discrimination in all aspects of public operations including the purchasing of products, services and public works contracts. (See City of Evansville Municipal Code 3.90.110-180).

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AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Projects undertaken as a result of this RFQ which are funded in whole or in part with ARRA funds must comply with all ARRA requirements, including the "Made in America" provision.

Selected Contractor must provide all information necessary to complete and submit the required ARRA / U.S. DOE reports to the Designated Contact in a timely manner.

DAVIS-BACON ACT REQUIREMENTS

Projects undertaken as a result of this RFQ shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code.