

CITY OF MEMPHIS

**Request for
Statements of Qualifications
From
Energy Service Companies
For
Guaranteed Savings Performance Contracting Services**

RFQ #28438

Advertise Dates: May 16 & 17, 2017

SOQ Submittal Date: June 16, 2017

CITY OF MEMPHIS requests statements of qualification from interested and qualified Energy Service Companies (ESCOs) to perform an Investment Grade Audit (IGA) to identify, recommend, and implement energy efficiency and improvement measures for the CITY OF MEMPHIS's facility and infrastructure. The CITY OF MEMPHIS is interested in contracting turnkey services from one qualified ESCO under a guaranteed energy savings performance contracting arrangement.

The objective of the issuance of this RFQ is to solicit statements of qualifications from ESCOs that have the experience, capability, and proven track record to provide guaranteed efficiency upgrades to the CITY OF MEMPHIS's facility and infrastructure.

The Request for Qualifications is the first step in this process. The next step will be to solicit proposals (through a Request for Proposals) from a group of three or four ESCOs selected from this RFQ solicitation.

The CITY OF MEMPHIS intends to select an ESCO to provide comprehensive services that will include, but are not limited to:

1. Completion of an Investment Grade Audit (IGA) of the CITY OF MEMPHIS's facility and infrastructure to address deferred maintenance and identify a comprehensive set of efficiency improvements to reduce and control utility expenses, reduce operational costs, improve overall comfort, and improve system efficiencies.
2. Guaranteed maximum price and guaranteed level of savings for the efficiency measures identified and recommended for implementation.
3. Development and execution of a Guaranteed Saving Performance Contract to implement the efficiency project, whereby the level of savings guaranteed by the ESCO are equal to, or exceed, the cost of the project over an agreed upon term; including a measurement and verification plan to verify the performance of the implemented efficiency measures, periodic reporting and annual reconciliation of the savings achieved from the efficiency project.
4. ESCO's assistance to the CITY OF MEMPHIS in obtaining competitive financing for the efficiency project.
5. Identification and administration of any incentives, grants, or rebates that may be obtained in order to offset the cost of the CITY OF MEMPHIS's efficiency project.

City of Memphis Equal Business Opportunity (EBO) Program

This project is subject to the requirements of the City of Memphis Ordinance #5384, responsibility to ensure that all requirements of this ordinance are met. The Ordinance may be accessed on the City's website at www.memphistn.gov under "Doing Business". The intent of the EBO Program is to increase the participation of minority and women-owned business enterprises (M/WBEs) in the City's purchasing activities. Toward achieving this objective, the M/WBE participation goal for this solicitation is 50%. The percentage of M/WBE participation is defined as the dollar value of subcontracts awarded to certified minority and/or women-owned business enterprises divided by the total proposed base bid amount.

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Qualified ESCOs interested in providing the requested services must respond with a written Statement of Qualifications (SOQ). The CITY OF MEMPHIS's selection of an ESCO to provide these services will be made in accordance with the policies and administrative directive of the CITY OF MEMPHIS and applicable statutory provisions. Submissions must be in a **sealed** packet, with the company name, RFQ #28438, and GUARANTEED SAVINGS PERFORMANCE CONTRACTING SERVICES noted on the outside of the packet. Responses must be received by June 16, 2017, at 2: 00 pm CST, after which time and date they will no longer be accepted by the CITY OF MEMPHIS. Submissions made after this date and time will not be considered. Emailed submissions will not be considered. Responses must be mailed or delivered to:

CITY OF MEMPHIS
Purchasing Department
125 N. Main Street, Room 354
Memphis, TN 38103

It is the sole responsibility of the responding firm to ensure their SOQ is received by the CITY OF MEMPHIS, at the location listed above, on or before the due date and time.

SECTION 1 – General Information

- A. **Purpose.** This Request for Qualification (RFQ), requests Statements of Qualifications from Energy Services Companies (ESCOs) for Guaranteed Savings Performance Contracting services. The CITY OF MEMPHIS shall evaluate all responses and may select three to four ESCOs to participate in the RFP phase of the solicitation. The end result will be for one ESCO to develop, implement, and guarantee the performance of a package of cost-reducing efficiency measures for CITY OF MEMPHIS facility and infrastructure. The efficiencies generated from such measures will be utilized to provide the basis for funding the project. Timely implementation of this project is of the essence.
- B. **Performance Contract.** For the purposes of this document, "Performance Contract" means a contract that provides for the procurement and implementation of turnkey services and upgrades for the CITY OF MEMPHIS's facility in which the payment obligation is guaranteed by the ESCO to be equal to or less than the energy and operational cost reductions attributable to the measures implemented under the contract over an agreed upon term. The contract term will not exceed twenty (20) years.
- C. **Savings Guarantee.** The total project costs, including financing costs, service costs, and any other project-related costs, shall be one hundred percent (100%) covered by the project's efficiency savings. The performance of the installed measures shall be monitored and measured regularly and reconciled on an annual basis by the ESCO and an independent third party engaged by the CITY OF MEMPHIS. The independent third party will verify all proposed savings claimed by the ESCO. This audit process will commence one year from the date of completion of installation of the efficiency measures. In the event that the actual efficiency savings are less than the guaranteed savings, the ESCO shall provide cash reconciliation of the difference, or negotiate with the CITY OF MEMPHIS for the equivalence in additional improvements or services.
- D. **Scope of Work.** The final scope of work will be determined jointly by the CITY OF MEMPHIS and the selected ESCO based on the results of the IGA. It is the intent of the CITY OF MEMPHIS to take advantage of the ESCO's experience and expertise to identify and recommend the best possible comprehensive package of efficiency measures and services.
- E. **Eligible Respondents.** Only qualified ESCOs with a minimum of five (5) Guaranteed Savings Performance Contracts implemented within the past five years will be considered. Additionally, ESCO references of performance contracting projects with similar scope and size to the project anticipated for the CITY OF MEMPHIS are of particular interest. ESCOs that cannot demonstrate the required first-party guaranteed savings project experience will not be considered for selection.
- F. **Submission Format.** SOQs must be submitted in the format outlined in this solicitation. Each SOQ will be reviewed to determine if it is complete prior to actual scoring. ESCOs shall use the prescribed format to clearly indicate their experience and qualifications, describe their technical approach to this project, and fully describe the provisions of their guaranteed savings contract. Submissions not containing the information requested, or in the format prescribed herein, will not be considered. SOQs will be evaluated in light of the material submitted and substantiating evidence presented in the written submission, and not on the basis of what is inferred.
- G. **Contract Responsibility.** After the RFQ and RFP processes are complete, the selected ESCO will be required to assume total responsibility for all services offered in their submission and noted herein.

The selected ESCO will be considered the prime contractor and the sole point of contact with regard to all contractual matters with the CITY OF MEMPHIS.

H. Contract Insurance.

Contract Insurance: The Company shall not commence any work under this contract until it has obtained and caused its subcontractors to procure and keep in force all insurance required. The Company shall require all subcontractors to carry insurance as outlined below, in case they are not protected by the policies carried by the Company. The Company is required to provide copies of the insurance policies upon request. The Company shall furnish the Risk Manager a Certificate of Insurance and/or policies attested by a duly authorized representative of the insurance carrier evidencing that the insurance required hereunder is in effect. All insurance companies must be acceptable to the City of Memphis and licensed in the state of Tennessee with a Best Insurance Rating of A and Class VII or better and authorized to do business in the state where the work is performed.

If any of the Insurance Requirements are non-renewed at the expiration dates, payment to the company may be withheld until those requirements have been met, or at the option of the City. The City may pay the renewal premiums and withhold such payments from any monies due the Company.

The Company shall indemnify, defend, save and hold harmless the City, its officers, employees, and agents, from and against any and all claims, demands, suits, actions, penalties, damages, settlements, costs, expenses, or other liabilities of any kind and character arising out of or in connection with the breach of this Agreement by Company, its employees, subcontractors, or agents, or any negligent act or omission of Company, its employees, subcontractors, or agents, which occurs pursuant to the performance of this Agreement, and this indemnification shall survive the expiration or earlier termination of this Agreement. The provisions of this paragraph shall not apply to any loss or damage caused solely by the acts, errors, or omissions of the City, its officers, employees and agents. Contracts for third party service providers should include indemnity provisions that protect the City from any liability arising out of the Company's loss of City's sensitive information.

Each certificate or policy shall require and state in writing the following clauses:

Company shall provide notice to the City within three (3) business days following receipt of any notice of cancellation or material change in Company's insurance policy from Company's insurer. Such notice shall be provided to City by registered mail, to the following addresses:

City of Memphis

Attn: Risk Management

170 N. Main, 5th Floor

Memphis, TN 38103

City of Memphis

Attn: Purchasing Agent

125 North Main, Room 354

Memphis, TN 38103

The Certificate of Insurance shall state the following: "The City of Memphis, its officials, agents, employees and representatives shall be named as additional insured on all liability policies." The additional insured endorsements shall be attached to the Certificate of Insurance and the Certificate of Insurance shall also state: "The additional insured endorsement is attached to the Certificate of Insurance."

WORKERS COMPENSATION:

The Company shall maintain in force Workers' Compensation coverage in accordance with the Statutory Requirements and with Minimum Limits of the State of Tennessee and shall require all subcontractors to do likewise.

Employer's Liability	\$100,000	Each Accident
	\$500,000	Disease-Policy Limit
	\$100,000	Disease-Each Employee

AUTOMOBILE LIABILITY:

Covering owned, non-owned, and hired vehicles with Minimum Limits of:

\$1,000,000	Each Occurrence – Combined Single Limits
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COMMERCIAL GENERAL LIABILITY:

Comprehensive General Liability Insurance, including Premises and Operations, Contractual Liability, Independent Contractor's Liability, and Broad Form Property Damage Liability Coverage with Minimum Limits of:

\$2,000,000	General Aggregate
\$1,000,000	Products-Completed Operations
\$1,000,000	Personal and Advertising Injury
\$1,000,000	Each Occurrence (Bodily Injury & Property Damage)
\$ 50,000	Fire Damage any One Fire
\$ 5,000	Medical Expense any One Person

ERRORS & OMISSIONS / PROFESSIONAL LIABILITY:

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The Company shall maintain such coverage for at least three (3) years from the termination or expiration of this agreement with Minimum Limits of:

\$2,000,000 Each Claim / Aggregate

UMBRELLA LIABILITY:

With minimum limits of:

\$ 2,000,000 Each Occurrence / Aggregate

PROPERTY INSURANCE:

The Company shall be responsible for maintaining any and all property insurance on their own equipment and shall require all subcontractors to do likewise. The Company shall require all subcontractors to carry insurance as outlined above, in case they are not protected by the policies carried by the Company. The Company is required to provide copies of the insurance policies upon request.

- I. **Taxes, Fees, Code Compliance, Licensed Contractors & Professionals.** The ESCO shall be responsible for payment of any required taxes or fees associated with the execution of the work under the guaranteed savings contract. The ESCO shall be responsible for compliance with all applicable local and state codes and statutes. Engineering, design, installation and construction work shall be performed by contractors and professionals licensed to do work in the State of Tennessee, whether said work is performed directly by employees of the ESCO, or subcontractors of the ESCO. Any portion of the work requiring as-built, plans, or drawings must be stamped and signed by a duly Tennessee licensed professional engineer.
- J. **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 the CITY OF MEMPHIS. Proprietary information that the ESCO does not want disclosed to the public shall be so identified on each page in which it is found within the submission, and will be treated as such to the extent allowed by state law. Data or information so identified may be used by the CITY OF MEMPHIS for the purpose of evaluation and contract negotiations.
- K. **Inquiries.** Questions that arise from interested ESCOs prior to the submission date shall be submitted in writing to the CITY OF MEMPHIS. The CITY OF MEMPHIS's point of contact for this project is **Eric Mayse**, email eric.mayse@memphistn.gov. Email inquiries submitted to the CITY OF MEMPHIS must contain this RFQ number and RFQ name in the subject line. All inquiries must be received by May 26, 2017 at 5: 00 pm CDT. Inquiries received after this date and time will not be answered. Inquiries received by the CITY OF MEMPHIS prior to the deadline will be compiled and answered by the CITY OF MEMPHIS, and will be posted to the City of Memphis website by June 2, 2017 at 5:00 pm CDT.

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- L. **Schedule of Events.** The CITY OF MEMPHIS expects to undertake the ESCO selection process according to the following schedule:

Request for ESCO Qualifications Advertised by the CITY OF MEMPHIS	May 16 & 17,, 2017
ESCO Questions to CITY OF MEMPHIS - Deadline	May 26, 2017
Answers to ESCO Questions - Posted to the City of Memphis website	June 2, 2017
Statement of Qualifications Due to CITY OF MEMPHIS – Deadline	June 16, 2017
CITY OF MEMPHIS Evaluation of ESCO Statements of Qualifications (tentative date)	June, 2017
ESCO Selection for participation in the CITY OF MEMPHIS RFP process for Guaranteed Savings Performance Contracting Services (tentative date)	July, 2017

SECTION 2 - SOQ Format Requirements

Responses must be submitted in the format outlined in this section. The intent of the CITY OF MEMPHIS is that all responses follow the same format in order to evaluate each response fairly. The CITY OF MEMPHIS reserves the right to eliminate from further consideration any response which is deemed to be substantially or materially unresponsive to this request.

- No later than 2:00 p.m., provide one signed original (marked "original") and three (3) printed copies of the submittal response. The vendor must also provide the complete submittal response in electronic form on a CD or flash-drive (preferred), to:

CITY OF MEMPHIS
Purchasing Department
125 N Main St., Room 354
Memphis, TN 38103

- The vendor should submit one complete electronic copy of the proposal.
- The cover page shall indicate the name, number, and due date of the CITY OF MEMPHIS's RFQ and the name and address of the ESCO submitting the SOQ.
- Begin each section described with the appropriate heading and section number as noted below.
- Each page shall have the name of the ESCO indicated clearly in the upper right corner.
- Each page shall contain the CITY OF MEMPHIS's RFQ name and RFQ number in the footer of each page.

Table of Contents

ESCO's shall include a table of contents properly indicating sections and page numbers of requested content.

1. Executive Summary

Responses shall include an abstract of no more than five (5) pages of the information presented in the ESCO's SOQ.

2. ESCO Profile

Provide the information requested in Attachment A of this document. Use the prescribed form and format herein.

Provide 2 years of audited financial statements.

3. Reference Projects

- A. Provide a maximum of ten (10) Guaranteed Energy Savings Project references. Five references must be projects implemented (installation completed) within the last three years. If possible, projects should be similar in scope and size to the project anticipated for the CITY OF MEMPHIS.

For each reference, provide the following information:

- City of Memphis/Entity Name
Address
Contact Person
Phone Number and Email of City of Memphis Contact
- Contract Amount
- Financing – Type and Term
- Contract Term (in years)
- Annual Savings – by type (utility, operational, etc.) – in units and dollars
- Scope of Work Summary
- Start Date of Installation
- Completion Date of Installation
- Type and frequency of Measurement and Verification applied to Project Measures
- Frequency of Project Reporting
- Status of Guarantee
- Project Highlights/Added Value or Benefit for the ESCO Client

4. Project Team

- A. Provide an organizational chart with names and titles of the members of the ESCO's project team that will be responsible for this project.
- B. Provide a brief resume and bio of each team member indicating their experience and education.
- C. Provide a summary of the team member's role and responsibilities in regard to the anticipated project with the CITY OF MEMPHIS.
- D. Provide information concerning the ESCO's approach to the use of subcontractors in the course of the work anticipated for the CITY OF MEMPHIS.
- E. Provide information concerning the ESCO's local capabilities and support team involved in guaranteed performance contracting project implementation.

5. Technical Approach

- A. Describe the approach and process to performing the IGA.
- B. Provide a timeline of the anticipated milestones necessary to complete the IGA.
- C. Provide specific information of the evaluation process used by the ESCO to identify specific efficiency improvements for the CITY OF MEMPHIS to consider for implementation. Special attention should be given to how the ESCO will address deferred maintenance for this project.
- D. Product manufacturers- Please describe your approach to incorporating other manufacturer's products in your projects.

6. City of Memphis/Entity Required Resources

- A. Describe the anticipated City of Memphis resources required to perform the IGA for this project.
- B. Describe the anticipated City of Memphis resources required to implement the ECMs for this project.
- C. Describe the anticipated City of Memphis resources required to measure, verify, & report the ECMs results for this project.

7. Financial Approach

- A. Describe the sources and types of financing that may be available for this project.
- B. Describe the ESCO's role in assisting the CITY OF MEMPHIS in securing financing for the project.
- C. Provide information concerning any incentives or grants that may be available to the CITY OF MEMPHIS to offset the cost of the project.

8. Project Implementation

- A. Describe the management process that will be used to ensure a timely and quality installation of the project.
- B. Provide information regarding standard progress reporting and billing during the installation phase.
- C. Describe the completion and acceptance process of the installed measures and the process used to transition to the guaranteed savings phase.

9. Project Guarantee

- A. Provide information on the anticipated measurement, verification and reporting process that may be used for the CITY OF MEMPHIS to ensure the installed measures perform as expected.
- B. Provide details as to the method and means that will be used to reconcile the project's guaranteed savings, including those used in the event of a savings shortfall.

SECTION 3 – Evaluation and Selection

- A. **Evaluation Process.** The CITY OF MEMPHIS will appoint a selection committee to formally evaluate the submissions. Responses shall be reviewed for completeness and adherence to format requirements as indicated in this solicitation. Failure to adhere to the required format may result in disqualification. 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 contracting project references, verification of project team resumes, review of financial information, and may include the verification and confirmation of any additional information deemed necessary by the CITY OF MEMPHIS.
- B. **Scoring of ESCO's Statements of Qualification.** Scoring of SOQs to arrive at a qualifications based selection of three to four firms.
- C. **Request for Proposals – Phase 1.** The top three to four scored ESCOs will be invited to advance to the RFP stage of this solicitation. Invited ESCOs will perform an entry level audit of selected buildings and submit a proposal to include project scope of work and costs and savings projections.
- D. **IGA Contract – Phase 2.** The selected ESCO will be notified of their selection for recommendation. The ESCO shall be directed to submit a contract for the Phase 2 Investment Grade Audit. Upon approval by the City of Memphis, The ESCO shall receive a Notice to Proceed for the IGA phase.
- E. **Contract – Guaranteed Savings Performance Contract.** Upon acceptance of a scope of work resulting from the IGA, a Guaranteed Savings Performance Contract will be presented to the CITY OF MEMPHIS for review and approval. Upon acceptance by the CITY OF MEMPHIS, a Notice to Proceed will be issued allowing the ESCO to proceed with the implementation phase.

SECTION 4 – General Terms and Conditions

1. To be considered, written statement of qualifications must be received by June 16, 2017 before 2:00 pm, CDT in the number and format set forth in this solicitation. A non-responsive or incomplete submission will not be considered. ESCO submissions shall be mailed or delivered to the address listed below.

CITY OF MEMPHIS
Purchasing Department
125 N Main St., Room 354
Memphis, TN 38103

2. The outside of all delivered documents must be labeled: "Company Name, RFQ #, and reference the name of this RFQ "Guaranteed Savings Performance Contracting Services".
3. It shall be clearly understood that any costs incurred by the ESCO in responding to this request is at the ESCO 's own risk and expense as a cost of doing business, and the CITY OF MEMPHIS is not liable for reimbursement to the ESCO for any expense so incurred, regardless of whether or not the submission is accepted.
4. Any information provided herein is intended to assist the ESCO in the preparation of submissions necessary to properly respond to this RFQ. The RFQ is designed to provide qualified ESCOs with sufficient information to provide a statement of qualifications, but is not intended to limit a RFQ's content or to exclude any relevant or essential data.
5. Respondents are required to be thoroughly familiar with the requirements herein and applicable state statutes before submitting their statement of qualification to the CITY OF MEMPHIS for consideration.
6. The submission must contain the signature of a duly authorized officer or agent of ESCO's firm empowered with the right to bind and negotiate on behalf of ESCO for the work and terms proposed.
7. The CITY OF MEMPHIS reserves the right to reject any and all submissions and to waive any informality if deemed in the best interest of the CITY OF MEMPHIS to do so.

Attachment A - ESCO PROFILE

1. General Firm Information

Firm Name: _____

Mailing Address: _____

Physical Address: _____

Names, Titles and Phone Numbers of two principal contact persons:

_____	_____	_____
_____	_____	_____

- Submittal is for:
- Parent Company
 - Subsidiary
 - Division
 - Branch Office

List any Division or Branch Offices that will participate materially in the development of the proposal, in its evaluation process, and/or in the conduct of any services provided.

Name of Office: _____

Address:

Name and Address of Parent Company (if applicable)

Name:

Address:

Former Name(s) of Firm (if applicable)

Name:

Address:

Tax Identification Number:

2. Type of Firm

- Corporation
- Partnership
- Sole Proprietorship
- Joint Venture

3. Federal Employer Identification Number: _____

4. Year Firm Established: _____

5. Five-year summary of contract values for energy related services:

- 2017: \$ (to date)
- 2016: \$
- 2015: \$
- 2014: \$
- 2013: \$

Estimate of total value for all energy-related contracts that are currently in force:

\$ (total value) as of (date).

6. Five-year summary of contract values for energy performance contracts only:

- 2017: \$ (to date)
- 2016: \$
- 2015: \$
- 2014: \$
- 2013: \$

Value of shortfall savings payments made to date resulting from the energy performance contracts included in the above totals, subject to all measurement & verification options.

\$ _____

7. Corporate Background

- a. Years under Present Name: How many years has your firm been in business under its present business name? Years

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

Name: _____ Years: _____

Name: _____ Years: _____

- c. Years in Energy Business: How many years has your firm been providing energy-efficiency related services? __years

How many years your firm has offered performance contracting services? __ Years.

- d. Number of Contracts: Indicate the number of energy savings performance contracts actually implemented by your firm. (NOTE: If this response is submitted by a branch office or division of a parent company, indicate the number of projects that have been managed directly by the specific branch or division.)

- e. State Qualification: Identify all states in which your firm is legally qualified to do business.

- f. Professional Engineers Licensed in Tennessee: Identify and provide resumes for company employees that will be involved in the services requested in this RFP and are professional engineers licensed in the State of Tennessee.

- g. Accredited/ Certified Energy Professionals. Identify and provide resumes for company employees that be involved in the services requested in this RFQ and are accredited or certified energy professionals (e.g., BEAP, CEA, CEM, CMVP, HBDP, etc.).

8. Financial Information

- a. Financial Statement: Attach your firm's most recent financial statement or annual report for each of the last three years.

- b. Statement of Financial Condition: Attach the most recent annual Statements of Financial Condition, including balance sheet, income statement and statement of cash flows, dated within the past twelve (12) months. Provide the name, address, and the telephone number of firm(s) that prepared the Financial Statements:

Name: _____

Contact Person: _____

Address: _____

Phone: _____