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Main:207-581-2712 IDD/TDY:207-973-3262 www.maine.edu REQUEST FOR PROPOSALS #112-2017 University of Southern Maine Energy Savings Performance Consulting Services RESPONSE ADDENDUM #1 July 21, 2017

This addendum responds to initial questions submitted by vendors.

The University of Maine

University of Maine at Augusta

University of Maine at Farmington

University of Maine at Fort Kent

University of Maine at Machias

University of Maine at Presque sle

> University of Southern Maine

Q1. Can this solicitation be changed to a request for qualifications rather than proposal?

We understand the importance of understanding the costs of this portion of the project, but providing a 'bid' amount competitively will be challenging as the level of effort is dependent upon many factors and personalities beyond our control. Also, the RFP dictates certain qualifications and licenses whose market billing rates are in a somewhat narrow band for the region, and therefore inherently competitive. This pricing procedure runs the risk of collecting a bunch of overly conservative cost information from several bidders that will cause the solicitation to be shelved due to budget overrun before it even starts; or conversely, a low-ball bid that could result in a non-agile contract relationship and therefore harm the intent of the role and success of the project. To circumvent this, we recommend requiring a non-binding budget worksheet be submitted with the proposal to bracket the likely costs for this role, but not make it part of the scoring and award criteria.

A1. The University has created a list of buildings for a hypothetical, middleof-the-road scope. Use this scope to anticipate the amount of work required. For pricing the work, see the updated Cost Response Form that will allow the University to score Cost Responses provided by Respondents. The hypothetical scope is subject to change, and the University expects the selected owner's rep to pro-rate the estimates for volume of work and the corresponding cost according to what the final scope is. The University plans to work with the selected Owner's Rep to determine an appropriate scope. For a range of possible scopes, see Section 1.2.8 Cost Response Form Quantities of the RFP. The actual needs / costs of the selected consultant will be based on the hourly rates, travel rates, etc. provided in the Cost Response Form.

For the building information for the hypothetical scope please use the Contact Response Information on the cover page to be provided the link to a shared folder that contains the information.

- Q2. Can a common denominator or factor be applied to the Economic Impact form? For example, dividing the dollar values by the number of full-time equivalents, etc.? In its current form, a small firm is discriminated against compared to a larger firm because of how the scoring system is weighted.
- A2. No, the Maine Economic Impact is based on a formula and is standard on all of the University's RFP at this time. See Section 2.1.2.2 of the RFP for scoring details.
- Q3. Will the selected Consultant do at minimum, a "walk-through" assessment of the buildings and facility assets first?
- A3. Yes, this is intended to be done as part of phase 1.
- Q4. Will the selected Consultant generate a potential project opportunities list before the ESCO is contacted? Our ability to assess the ECM's that an ESCO comes up with will be of enormous value though.
- A4. The selected consultant can certainly propose that approach, and the University will consider it based on its merits. It is the intent of the University and the RFP that the awarded consultant will make suggestions like this, as the consultant guides us in creating and carrying out an effective RFP process.
- Q5. Will the University provide any previous reports on the building condition, possible ECMs or potential projects? This would include a list of recent renovations and ECMs completed, and the long-range plan of the building within the sustainability goals that stretch out to 2040.
- A5. See A1 for direction on how to access some basic information about the buildings proposed under the hypothetical scope. This information was readily available within the tight timeline of this RFP process. After a Consultant is selected and their work begins, the University will work with the Consultant to pull more detailed information like building conditions, potential projects, recent renovations, and ECMs. At that point, the University can also discuss possibilities for the long-range use of the building. Some of the long-term uses of the buildings will not yet be known until the master planning process is complete. See A1 for available details.
- Q6. Energy projects will include energy storage of by various means such as batteries and Thermal Energy Storage (TES)?
- A6. It is possible that energy projects will include storage infrastructure, but it is not likely to be a major component of these projects, as the University anticipate that most renewable electricity projects would be grid-tied. Thermal Energy Storage projects are more likely.
- Q7. Are there any restrictions on including the buildings in district wide energy projects?

- A7. The University is open to all potential projects as long as they make sense for long-term use of the buildings and are economically feasible.
- Q8. Is the university interested in trying new technology in experimental systems?
- A8. The University will seek projects from the ESCO that address greenhouse gas emissions, minimize costs, stabilize costs, and improve reliability. The University prefers to address these needs through proven and tested systems.
- Q9. Would the University consider waste diversion projects (i.e. carbon waste like food waste and oils) include in site use of waste and contracts to process the waste off site? There are opportunities for biodiesel, digester installations with biogas output, and composting. This includes opportunities for selecting ecological materials and/or restricting materials like plastic from the university. By contracting with different suppliers USM can reduce their carbon footprint.
- A9. The University recently entered into multiple contracts for waste hauling services that included oils and food wastes that are already calculated towards the University's carbon footprint, and are not within the scope of this RFP.
- Q10. Will ESCO's include material providers for the university, including the more efficient use of materials? Regarding the anticipation that any materials, from cleaning products to construction materials, the University uses have to be manufactured and transported to the University. These have carbon impacts that can be reduced by selection of environmentally friendly material, selecting local products, and efficient use of materials. This is part of the LEED standard and should be included in every ESCO project. The university may have to evaluate what premium on a cost per ton of CO2e eliminated basis that the university will allow when developing the financial simple payback especially on projects that involve demand side projects.
- A10. The scope of this project is focused on reducing energy demand and increasing renewable energy supply. If there are opportunities for performance contracting projects that reduce greenhouse gas emissions through material purchases related directly to heat or electricity, then the University is potentially interested. However, purchasing materials that are unrelated to energy reduction or provision on campus are outside the scope of this RFP.
- Q11. Will the university include the students in a PR campaign? Will the students be available to work as interns on this project?
- A11. The University prefers to include students, when available, for PR campaigns. Students will also be available to work as interns, provided that either the owner's rep or the ESCO have the capacity to help manage the interns.

- Q12. What educational outreach is there to include the students and faculty in participating in executing the projects?
- A12. USM has an office of sustainability that has at least two staff and two student workers who can be involved in energy-related outreach for a portion of their job duties. However, the outreach capacity is limited, and the University would expect the ESCO to provide some of the outreach and most of the management required to oversee internships or other significant student engagement efforts.
- Q13. Will the university define a dollar amount for each ton of CO2e that is removed from the emissions profile?
- A13. Answering this question for historical data would require a full blown cost-benefit analysis for several major projects, for example, our switch from number 6 heating oil to natural gas. The University would have to factor in the upfront construction cost, how labor changed as a result, oil vs. gas prices, effect on hedging options, etc. It is beyond our capacity to complete such an analysis at this point in time. With the selected vendor's help, such an analysis may be possible, but it is unlikely the University would be able to get a precise estimate.

The University may consider defining dollar amounts for future projects if the owner's rep and/or ESCO were willing to help make those calculations, and if there was value to the University in making those calculations.

- Q14. Per RFP page 12, please define what time "End of Business" is?
- A14. Normal business hours is 8:00 a.m. to 5:00 p.m. EST., Respondent's submissions will not be accepted if the email date and time stamp is after 5:00 p.m. EST.
- Q15. Milestone goals are set for the years 2020, 2025, 2040 is there a corresponding financial budget to accomplish these goals?
 - a. If so, what are the amounts, and are they broken down into annual amounts?
 - b. Is there any limit on the percent of budget dollars/year being applied to fuel type – some fuel type measures will be more expensive than others to implement?
- A15. A There are no defined budget amounts affiliated with these goals, except for a \$250,000 green revolving loan fund, which can only be used on projects that reduce energy costs and have no more than a 5-7 year payback. Other potential funds will fluctuate as state funding and enrollment fluctuates. However, the University can advise that these goals will require performance contracting, where the university does not have to provide upfront capital and can pay back the capital through anticipated savings.

B -. The existing fuel budgets are based on business-as-usual scenarios and are meant to keep up with current energy demand at the

lowest cost possible. The percentage of money available that could be spent on premium fuels is negligible. Therefore, any supply-side projects like fuel switching would need to be paired with demand-side reduction projects so that premiums are offset with reductions in current costs.

- Q16. Is there a maximum and or minimum payback period based on energy savings?
- A16. The University prefers a 20 years maximum. No minimum. However, it all depends on the specific building(s) and/or project(s).
- Q17. Invariably there are aesthetic changes and facility improvements that creep into the picture that do not have a viable energy savings payback, therefore will these be, and if so, how will they be separated from sustainability measures?
- A17. Aesthetic changes and facility improvements beyond energy would only be allowed if they are palatable to building occupants and the administration, and if additional funding sources were identified to pay for them.
- Q18. At what specific point in time will the University's energy baseline be established, if it has not already been established?
- A18. For the sake of greenhouse gas reporting and our University goals, the baseline is Fiscal Year 2006 (July 1st, 2005 to June 30th, 2006). The FY 2006 inventory can be found on Second Nature's reporting site for the President's Carbon Commitment.

For the sake of the forthcoming energy performance contracting, the baseline will be determined with the help of the selected consultant.

- Q19. How will University's planning change building use, provide for building demolition, or student enrollment levels be accounted for in relation to the energy baseline?
- A19. The University will rely on the selected consultant's expertise in determining that.
- Q20. What is the square footage of buildings that currently require or have air conditioning? Is that footprint expected to increase through renovations of existing spaces?
- A20. See A1 or how to access the available details about the buildings in the hypothetical scope. This information includes estimates of the percentage of each building that is currently served by air conditioning. It is possible the footprint of air conditioned space will increase over time, but the University does not know that for sure.
- Q21. Should the Lewiston-Auburn Campus be included in the proposal? It was stated in the pre-bid meeting that the location may be changing.

- A21. See A1, the hypothetical scope does not include Lewiston-Auburn. Future consideration will be determined at the time of drafting the ESCO RFP.
- Q22. Should any LEED buildings be included in the proposal? It was stated in the pre-bid meeting that these may not be good candidates. If these buildings are to be considered then we will need to allocate time and budget for them.
- A22. See A1. The hypothetical scope includes two LEED buildings: one stand-alone building named Wishcamper, and another named Osher Map Library that is attached to Glickman Library. Future consideration will be determined at the time of drafting the ESCO RFP.
- Q23. Should meeting time be allocated to coordinate efforts with the Master Planning consultant? It was stated this the master plan process was just getting started.
- A23. No.
- Q24. What is the likelihood of other campuses engaging in similar work, per page 5?
- A24. The University of Maine (Orono) recently awarded RFP #43-16 Phase II Energy Solutions otherwise there are no known upcoming project(s).
- Q25. Phase 3 discusses assisting the University on these tasks. Can you please elaborate to what extent is it anticipated the University will work on these tasks, and to what extent does the University request assistance?
- A25. With consultation and oversight from a University-appointed committee, the Owner's Rep will take the lead on providing scope of work for the RFP, and will take the lead on reviewing and providing detailed analysis, and ranking of the proposals. Using the University's rules as a guide, the Owner's Rep will also offer suggestions for RFP format, structure for the process, and lists of companies to invite to propose. Both parties will work on compiling and organizing necessary data to provide to ESCOs, and responding to communication with the ESCOs. The University will advertise, and post the RFP document.

View Section 1.1.4 Phase 3 for more details. See also Exhibit 1 – Cost Response - Directions. This will allow the University to determine cost(s).

- Q26. Phase 4 discusses ensuring that valid baseline is determined. Is it being requested to review the approach taken by the ESCO, or to independently establish building baselines across the buildings at each campus?
- A26. The University would like to see the baseline determined through a joint effort by the Owner's Rep and the ESCO, an effort that maximizes transparency and minimizes the University's risk.

- Q27. Phases 3, 4 and 5 will vary somewhat based on the number of ESCOs responding. Is there a preferred format which the University would like to use to account for that variability?
- A27. No preferred format. The University will have to wait and see what is proposed by the selected consultant to determine what makes the most sense. The University understands that the number of hours and number of meetings could vary dependent on the number of respondents thus the hourly rates and so forth in the Cost Response Form is needed to adjust to meet the actual needs of this RFP.
- Q28. Will the University apply for Federal/State/Local rebate for any eligible energy savings project? If yes, is the Consultant responsible for overseeing the application process? Or should this be within the scope of the selected ESCO(s)?
- A28. Yes, the University would be interested in rebates for eligible energy savings if they are available for the projects selected. Since application for rebates would likely take place in Scope 6, it would likely be overseen by the selected consultant as part of project management responsibilities, regardless of whether the application was prepared by the ESCO or the selected consultant.
- Q29. What are the University's simple payback/ROI requirements at individual ECM and blended project levels?
- A29. The University would want most projects to be in the 5-10 year range for payback, however, the University is open to long-term solutions that address greenhouse gas emissions, minimize costs, stabilize costs, and improve reliability.
- Q30. What is the University's limit on length (years) for the energy performance contract (EPC)?
- A30. See A16.
- Q31. Is the University looking to upgrade the building envelop, such as window and roof, even though the payback tends to be 10+ years.
- A31. Yes.
- Q32. Is the University looking to implement demand response (peak shaving) measures?
- A32. The University has already implemented demand response measures that the University actively participates in and has procedures in place.
- Q33. Do all of the listed buildings in Exhibit 1 of the RFP have sub-meters and meters that are all accessible online?
- A33. No.

- Q34. For the Contract of Service, the contract will cover 1 year starting from 2 of Jan, 2018 to 1 of Jan 2019. For the next four years, the University has the option of annual contract renewal. Is the contract period fixed in 1 year increments?
- A34. It is the intent of the University to enter into a long-term relationship with the selected consultant, however, the University, at this time, believes it is in the University's best interest to do one year contracts with annual renewals. This would be negotiable with the selected consultant.
- Q35. For Phase 6 of the scope, the Consultant will provide the basis for the fee. Will the fee be up for review the years following 2019 if the university decides to renewal?
- A35. See Section 1.2.7 Pricing of the RFP and Contract for Services #8 Modification. Any anticipated increases / escalators shall be included in the Exhibit 1 Cost Response form.
- Q36. Are equipment specs, drawings and mechanical schedules available for each buildings listed in Exhibit 1?
- A36. See A1 for what's currently available for the hypothetical scope for the Cost Response Form. The University will work with the selected consultant to provide more detailed, applicable data for the actual scope of work to be determined.
- Q37. How should we submit pricing if Phase 5 and 6 are delayed to Year 2 and/or spread across multiple years?
- A37. Follow the language in the RFP cost section and the hypothetical scope proposed in A1. Give your best estimate of the volume of work and total cost it will take to do phase 5, and for phase 6, only your hourly rate is necessary, including any annual price increases, if applicable. (I.e. the volume of work does not need to be proposed for phase 6).
- Q38. Does the University have any preference on the quantity of ESCOs? i.e. One ESCO for handling all of the buildings or multiple ESCOs to split the building?
- A38. The University is open to a diversity of projects and qualified ESCOs to carry out those projects, but the University prefer to have as few companies as possible to achieve our greenhouse gas reduction goals.
- Q39. For the information being submitted in the RFP response, if we are partnering with another company (who will be acting as our subconsultant) to assist with one of the phases of work (we would still be the primary consultant) how does this impact the response forms?
- A39. See Appendix H Question #2 on how to submit information regarding sub-contractor(s) / Consultant(s), and see Exhibit 1 on Cost Response for how to account for their cost. All anticipated costs of working with sub-contractors should be incorporated into the cost response.

- Q40. Please provide a list of the pre-bid attendees as well as any additional parties that have expressed interest in responding to your RFP.
- A40. The University will only provide this information upon award of this RFP.
- Q41. What firm are you working with on the Campus Master Plan?
- A41. Harriman Associates
- Q42. Do you currently have an Energy Master Plan?
- A42. No.

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