Maine's Public Universities

UNIVERSITY OF MAINE SYSTEM

REQUEST FOR PROPOSALS #
2019-048 University of Southern Maine
Audit & Energy Savings Performance Contract
Addendum # 4
March 4, 2019

Appendix F in the RFP- Cost and Pricing pages 43-45 will be replaced by the following:

APPENDIX F – COST AND PRICING

GENERAL SUBMISSION INSTRUCTIONS

- All instructions provided in RFP Section 3.0 must be followed when preparing your submission. This section is meant to provide cost and pricing information for evaluation as outlined in Section 2.1.1.
- Please number and re-state each subheading or question, below, followed by your response.
- Number all pages.

A. Investment Grade Audit & Project Development Fee (Maximum 10 points)
Provide your cost in **dollars per square foot** for conducting the investment grade audit and developing the project for Phase 1 and Phase 2. Developing the project includes all labor, materials, equipment, services, tools, utilities, fuel, transportation, and other facilities and services necessary to conclude a satisfactory audit and propose a comprehensive list of ECMs to the University, along with their relative energy and cost savings impacts. See the Specification and Scope of Work section of this RFP for a description of what the audit and project development entails.

Proposed Cost per Square Foot	
Investment Grade Audit and Project Proposal	$/sf

The University expects the cost of the Investment Grade Audit and Project Development to be wrapped into the total project cost if the University agrees to move to construction phase. If the University decides not to sign the actual Energy Savings Performance Contract (AKA Energy Services Contract to move into the construction phase) and to end the project after the audit is completed, then the Contractor may charge the University for the Investment Grade Audit & Project Development at the fee provided by the Contractor in this section multiplied by the number of square feet actually audited by the ESCO. For this exercise, assume that the fee will apply to Phase 1 and Phase 2 of the project. Please note that since this is a "phased" project, there will be two separate audits conducted: one for Phase 1, and another for Phase 2 (when and if the University decides to proceed to Phase 2). Therefore, the University is only committing to enter into negotiations for an Investment Grade Audit for Phase 1 and as such is only committing to the possibility of paying one fee (exclusively for Phase 1) upon execution of that Contract. For clarification of which buildings are included in each phase, please see Section 1.1.4: Specifications/Scope of Work and Attachment G: Technical Facility Profile in this RFP.

The company agrees that the proposed cost incorporates its responsibility to adhere to and complete the full scope of work as presented in an industry standard Investment Grade Audit and Project

Proposal Contract. Mark-ups on this fee will not be allowed. The fee proposed here will be your best and final offer.

The University's maximum liability for Termination for Convenience of an Investment Grade Audit and Project Development Contract shall be the Proposed Cost per Square Foot set forth above multiplied by the sum of the square footage set forth in Table 1 found in Appendix G for the given Phase's buildings actually audited by company.

Refer to **Section 2.1.1** of this document for scoring formula.

B. Mark-Up for Construction (Maximum 10 points)

Markup represents the total percentage to be applied to the Direct Costs for the Contractor's overhead and profit. Markup costs are disclosed to provide a project costing approach from the Contractor. This disclosure will provide the open book pricing structure to be used by the Contractor for this project. The markups will be used in the Energy Savings Performance Contract as a basis for the Firm-Fixed Price Contract Price. (A substantial change in the scope and size of the project may necessitate renegotiation of the markups, but only downward.)

Below you will find a description of existing lighting systems in the Library of Bailey Hall on the Gorham Campus. The University is requesting that you provide details of a LED lighting upgrade ECM for replacing existing fluorescent T8 lighting fixtures with new LED fixtures and bulbs. Please utilize the assumptions listed in the table below as part of your ECM proposal.

Bailey Hall Library								
Existing Fixtures					Proposed Solution			
Type	Count	kW	Hours	kWh	Type	kW	Hours	kWh
2x4 Troffer 4L 25W T8	187		3140				3140	
1x4 Surface Mount 2L 25W T8	105		3140				3140	
TOTAL	**292**							
Assumptions:								
ESCO to assume an electric rate of $0.10/kWh								
ESCO to estimate existing kW based on fixture description.								
ESCO to assume existing fixture count equals proposed fixture (AKA a 1-for-1 replacement).								
ESCO to assume HVAC heating penalty and cooling benefit equals zero.								
ESCO to use hours of operation input in the table above.								
ESCO to assume labor time of 1 hour per fixure replacement.								
ESCO to assume labor rate of $100 per fixture replacement								
ESCO to ignore all potential rebates for ECM.								

Open Book Pricing

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Open book pricing is full disclosure by the contractor to the University during the project development of all Direct Costs and markups necessary for completion of the Work agreed to by the University and ESCO in the Energy Savings Performance Contract. The markups provided by the ESCO in response to the RFP shall be applied to the Direct Costs to determine the Firm-Fixed Price Contract Price for which the ESCO will complete the Work. The “Work” shall include all labor, materials, equipment, services, tools, utilities, fuel, transportation, and other facilities and services necessary for proper execution and completion of the work as described in the Contract. Open book pricing will be required such that all costs, including all costs of subcontractors and vendors, are fully disclosed.

Please note that the table below is to demonstrate your firm’s Open Book Pricing Model, however only the Total Overhead + Profit Mark-Up value in the table located in Appendix F, Maximum Allowable Markups section, will be evaluated on a quantitative basis and scored.

		Project Budget Base Construction Costs	***Percent of Project Cost***	***Cost***
	a.	Subcontractor Costs (Contractor Costs to ESCO)		
	b.	Other Direct Purchases of Equipment, Material, Supplies (Supplier Costs to ESCO)		
	c.	Solicit & Evaluate Project Financing Proposals		
	d.	Design		
	e.	Project Management		
	f.	Permits		
	g.	Performance Bond		
	h.	Payment Bond		
	i.	Commissioning		
	j.	Training		
	k.	Construction Measurement and Verification		
	l.	Contingency		
	m.	Hazardous Material Contingency*	1% of: A-L + N-O	
	n.	Warranty Service		
	o.	Maintenance on Installed Measures		
Sum (a:o)	p.	**PROJECT COST**		

* ESCO shall be required to include in its Firm-Fixed Price for the Work under each Energy Savings Performance Contract a Hazardous Material Contingency equal to between 0.5%-1.0% of the A through L plus N & O. The University shall set the exact amount of the Hazardous Material Contingency prior to execution of each Energy Savings Performance Contract and Contractor shall be required to include such amount in its final Firm-Fixed Price. For the sake of this RFP, Contractor is required to assume a Hazardous Material Contingency equal to 1% of A through L plus N & O in the above table.

Maximum Allowable Markups

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Provide your company's proposed maximum allowable markups in the table below for the ECM above. (The use of margins in lieu of markups are not acceptable.) Ranges for Mark-Ups are not acceptable. Mark-Ups shown below represent your firm's maximum allowable Mark-Ups for this ECM and the ESPC Project as a whole.

Project Mark-Up	***Maximum % Mark-Up***
Overhead Percent (applied to Project Cost)	
Profit Percent (applied to Project Cost + Overhead Cost)	
Total Overhead + Profit (TOTAL WILL BE SCORED)	

The University may choose to accept audit costs, markups, fees, etc. proposed by ESCO for individual projects without further negotiation, provided they do not exceed the maximums established in the tables above, or directly negotiate with ESCO for reductions as dictated by individual facility or project requirements. ESCO may also propose lower audit costs, markups, fees etc. depending upon individual project considerations or their own internal business approach.

Refer to **Section 2.1.1** of this document for scoring formula.