

**PHILADELPHIA ENERGY AUTHORITY
AND CITY OF PHILADELPHIA**

**REQUEST FOR PROPOSALS
for**

**A Guaranteed Energy Savings Agreement Project at
Juanita Kidd Stout Center for Criminal Justice,
Municipal Services Building,
One Parkway Building,
Philadelphia City Hall, and
City Health and Homeless Services Facilities**

2023

Issued by:

Philadelphia Energy Authority and City of Philadelphia

Table of Contents

Section 1 – OVERVIEW	1
1.1 Project Overview	1
1.2 Philadelphia Energy Authority	1
1.3 City of Philadelphia - Office of Sustainability and Municipal Energy Office	2
1.4 Defined Terms	3
Section 2 – PROJECT DESCRIPTION	5
2.1 Energy Conservation at the Quadplex Buildings and Health Facilities	5
2.2 Project Objectives	5
2.3 Scope of Services	6
2.4 Design Criteria	7
2.5 Schedule	8
2.6 Construction	9
Section 3 – PROCUREMENT PROCESS	10
3.1 Project Contact and Communications	10
3.1.1 Contacts	10
3.1.2 Communications and Prohibited Contacts	10
3.2 Clarifications and Revisions	10
3.2.1 Question and Answers	10
3.2.2 Addenda to RFP	11
3.3 Proposal Submission	11
3.4 Evaluation	11
3.4.1 Evaluation Committee	11
3.4.2 Oral Interview	11
3.5 Next Procurement Phase	11
3.6 Miscellaneous	12
3.6.1 Non-Exclusivity in Vendor Selection	12
3.6.2 Public Disclosure and Confidential Information	12
3.6.3 Costs	12
3.6.4 Procurement Team Rights	13
3.6.5 Right to Terminate Prior to Commencement of Implementation	13
Section 4 – SUBMITTAL REQUIREMENTS.....	14
4.1 General Instructions	14
4.2 Submission Deadline	14
4.3 Required Content	14
4.3.1 Cover Letter	14

4.3.2	Introduction and Executive Summary	14
4.3.3	Proposer Characteristics and Project Approach	14
4.3.4	Technical Submittal Worksheet	15
4.3.5	Form of Contract and Requested Exceptions to Contract Terms	15
4.3.6	Additional Proposal Submission Requirements	15
4.4	Selection Criteria	18
4.5	No Rights Selection	19
Section 5 – LEGAL TERMS AND CONDITIONS		20
5.1	Compliance with Philadelphia 21st Century Minimum Wage and Benefits Ordinance	20
5.2	Certification of Compliance with Equal Benefits Ordinance	20
5.3	Responsibility	21
5.4	Governing Law	21
5.5	Assignment.	21
5.6	Promotion	21
5.7	Indemnification	21

Request For Proposals
Table of Contents (continued)

Attachment A – ESCO Services & Technical Submittal Requirements

Attachment A-1 – Technical Submittal Worksheet

Attachment B – Technical Building Profiles for Quadplex Buildings and Health Centers

Attachment C – Energy Use Profiles for Quadplex Buildings and Health Centers

Attachment D – Proposal Scopes and Previous Energy Related Studies

Attachment E – Form of Guaranteed Energy Savings Contract

Attachment F – Economic Opportunity Plan

Attachment F-1 – Economic Opportunity Plan Participation and Workforce Commitments Form

Attachment G – Philadelphia Tax and Regulatory Status and Clearance Statement

Attachment H – Local Business Entity or Local Impact Certification

Attachment I – Campaign Contribution Disclosure Form

Attachment J – LGBTQ Data Form

Section 1 – OVERVIEW

1.1 Project Overview

The Philadelphia Energy Authority (“**PEA**”) and the City of Philadelphia (the “**City**” together with PEA referred to as the “**Procurement Team**”) intends to commence a guaranteed energy savings project (“**Project**”) for

- Juanita Kidd Stout Center for Criminal Justice, 1301 Filbert St.,
- Municipal Services Building, 1401 JFK Blvd.,
- One Parkway Building, 1515 Arch St.,
- Philadelphia City Hall, 1400 JFK Blvd.,
- Health Center #3, 555 S. 43rd St.,
- Health Center #4, 4400 Haverford Ave.,
- Health Center #5, 1900 N 20th St.,
- Health Center #6, 301 W. Girard Ave.,
- Mattie L. Humphrey Health Center (Health Center #9), 131 E. Cheltenham Ave.,
- Health Center #10, 2230 Cottman Ave.,
- Strawberry Mansion Health Center, 2840 West Dauphin St.,
- Our Brothers’ Place, 907 Hamilton St.,
- Stenton Family Manor, 1300 E. Tulpehocken St., and
- Woodstock Family Center, 1981 N. Woodstock St., Philadelphia (“**Project Sites**”).

The Procurement Team seeks qualified Proposers, including Energy Services Companies (“**ESCOs**”), to perform under an energy performance contract (“**Contract**”) between PEA and Selected Proposer under the Pennsylvania Guaranteed Energy Savings Act (“**GESA**”). GESA addresses contracting by governmental entities for energy conservation measures in existing buildings.

The Procurement Team is requesting proposals for these facilities that will comprehensively reduce energy costs and meet other goals outlined in this document. The proposals must guarantee savings that exceed that cost of the project including financing costs. Proposer(s) will also implement an Economic Opportunity Plan (“**EOP**”) as specified in Attachment F in its selection and use of diverse subcontractors and hiring of workers that ensure the employment of an appropriately diverse workforce.

Under this solicitation, it is expected that up to two Proposers will be selected to perform all of the work for the Procurement Team.

1.2 Philadelphia Energy Authority

The Philadelphia Energy Authority is an independent municipal authority established in 2010 building a robust, equitable clean energy economy in Philadelphia. In 2016, PEA, through the leadership of City Council President Darrell Clarke, launched the Philadelphia Energy Campaign, a \$1 billion, 10-year investment in energy efficiency and clean energy projects to create 10,000 jobs. Through 2022, PEA has helped launch over \$380 million in projects and programs, and created over 3,275 jobs. PEA works to make Philadelphia a national model for implementing energy strategies that improve the health and well-being of the community and

local economy, including the City's most vulnerable residents. Learn more at <http://www.philaenergy.org/>.

PEA is a municipal authority and political subdivision of the Commonwealth of Pennsylvania, formed by the City of Philadelphia under the Pennsylvania Municipality Authorities Act, 53 Pa.C.S. § 5601 et. seq. ("the Act") for the purposes described in the Charter and included below:

The Authority's purposes and responsibilities shall be limited to actions for and concerning (i) the development, facilitation and/or financing of energy storage and/or generation projects, (ii) the development, facilitation and/or financing of energy efficiency projects, and (iii) the purchase or facilitation of energy supply and energy services on behalf of the City of Philadelphia, government agencies, institutions and businesses, as well as the education of consumers regarding choices available in the marketplace, and (iv) the promotion of a vital clean energy sector of the Philadelphia economy and increased employment in the sector by undertaking efforts to strengthen the markets for energy efficiency and energy storage and generation projects. The Authority shall have and may exercise all of the powers set forth in the Act that are necessary or convenient for carrying out its purposes and responsibilities.

1.3 City of Philadelphia - Office of Sustainability and Municipal Energy Office

The City of Philadelphia, Pennsylvania is a municipal government governed under a Home Rule Charter authorized by the Commonwealth of Pennsylvania. Philadelphia is the largest city in the Commonwealth of Pennsylvania and the fifth largest in the United States. The Mayor of Philadelphia, James Kenney, continued the prioritization of sustainability at the start of his administration in 2016.

The City of Philadelphia's Office of Sustainability is responsible for implementing *Greenworks: A Vision for a Sustainable Philadelphia*, the City's comprehensive sustainability plan. Greenworks contains visions for a Philadelphia with clean energy and efficient buildings, climate-prepared and carbon-neutral communities, and healthy air inside and outside. In support of these visions, the Office of Sustainability provides municipal energy management through its Municipal Energy Office. In 2016, The Office of Sustainability and Municipal Energy Office released the Municipal Energy Master Plan for the Built Environment which aims to reduce City government emissions, improve overall efficiency and reduce utility costs. Additionally, the Municipal Energy Office, in partnership with the Department of Fleet Services, supports the Municipal Clean Fleet Plan and hopes to expand electric vehicle charging infrastructure wherever possible.

This RFP is being supported by the Municipal Energy Office as part of the Office of Sustainability with support from the Department of Public Property and various City agencies, as appropriate. The Municipal Energy Office frequently works on projects focused on large scale investments for City property. The overall mission of the Municipal Energy Office is to:

- Strategically procure cost effective, reliable, safe, clean energy and conventional energy systems for city government.
- Promote energy conservation and efficiency within City facilities by providing education, technical expertise and analysis of energy used.

- Develop and implement projects and programs that promote the efficient use of energy and reduce the City's environmental impact.

1.4 Defined Terms

The following capitalized terms used in this RFP have the following meanings:

“Break Fee” means the negotiated fee to be paid to the Contractor(s) after completion of an Investment Grade Audit and issuance of an audit report containing a project scope that meets the stated project goals, if the Procurement Team elects not to proceed with installation of the Project subject to further conditions in the Contract.

“City” means The City of Philadelphia.

“Contract” means the energy savings performance contract in substantially the form included as Attachment E between the successful Proposer and a designee of the Procurement Team to provide energy conservation measures and that meets the requirements of the GESA.

“Contractor” means the successful proposer that has executed the Contract with PEA.

“ECM” means energy conservation measure as defined in 62 Pa. C. S. Section 3752.

“EOP” means an Economic Opportunity Plan in the form specified by the Office of Economic Opportunity.

“ESCO” means Energy Services Company.

“Evaluation Committee” means the committee established by the Procurement Team to evaluate the Proposals submitted in response to this RFP.

“GESA” means Pennsylvania’s Guaranteed Energy Savings Act.

“LOI” means Letter of Intent, a non-binding written document to indicate a party’s intent to submit a proposal in response to this Request for Proposals.

“IGA” means Investment Grade Audit.

“OEO” means the Office of Economic Opportunity.

“PEA” means the Philadelphia Energy Authority.

“Procurement Team” means PEA and the City, collectively. PEA will act as the lead agency for the procurement, but the Procurement Team may be represented by either PEA or the City (or both) in appropriate circumstances. Any activities or responsibilities identified in this RFP may be acted upon by the PEA or the City.

“Project” means the suite of ECMs agreed between the Procurement Team and the Proposer to serve as the scope of work under the Contract.

“Project Contact” means the person designated in Section 3.1.

“Project Team Member” means each firm included in the Proposal (including firms that are partners, members of the Proposer, or shareholders in the Proposer).

“Project Sites” means the group of municipal facilities that will serve as the locations of ECM evaluation and implementation.

“Proposal” means the documents submitted by a Proposer in a timely manner to this RFP.

“Proposer” means a party that submits a proposal in response to this Request for Proposals.

“Quadplex” means the group of four, large municipal buildings in Center City, Philadelphia, which includes Juanita Kidd Stout Center for Criminal Justice, Municipal Services Building, One Parkway Building, and Philadelphia City Hall.

“RFP” or “Request for Proposals” means this Request for Proposals issued by the Procurement Team for this Project to the qualified Proposers, including any addenda.

(End Section 1)

Section 2 – PROJECT DESCRIPTION

2.1 Energy Conservation at the Quadplex Buildings and Health Facilities

The Procurement Team intends to commence a guaranteed energy savings project (Project) at the four municipal buildings located in Center City, Philadelphia – Juanita Kidd Stout Center for Criminal Justice, Municipal Services Building, One Parkway Building, and Philadelphia City Hall (together referred to as “Quadplex”) – in addition to seven health center facilities and three homeless services facilities (Project Sites). The Procurement Team seeks up to two (2) qualified Proposers to perform under an energy performance contract (Contract). The Pennsylvania Guaranteed Energy Savings Act (GESAs) addresses contracting by municipalities for energy conservation measures in existing buildings.

To facilitate ease of evaluation and limit the time and expense of providing responses to this RFP, the Procurement Team requests proposals for improvements to a subset of buildings included in the full Project scope (i.e., Municipal Services Building, Justice Juanita Kidd Stout Center for Criminal Justice, and Health Center 5) that will reduce energy and other operating costs and meet the standards of the GESAs law. The Procurement Team has several ECMs that it is specifically interested in as part of this scope, as detailed in Section 2.3 of this RFP and Attachment D. All proposals must guarantee savings that can be used to cover operating budget expenses and finance improvements. The maximum term for financing will be twenty years. The Selected Proposer will also implement an Economic Opportunity Plan (EOP) in its selection and use of subcontractors that are registered with the Office of Economic Opportunity as Minority (MBE), Woman (WBE) and Disabled (DSBE) Owned Business Enterprises and in its employment of an appropriately diverse workforce, as specified in Section 4.3.6(a) and Attachment F. M/W/DSBEs are encouraged to respond as prime Proposers where appropriate.

The successful Proposer(s), along with ECMs to be installed, will be selected by a team represented by the PEA and the City. In the attachments to this RFP, the Procurement Team provides recent, available, and relevant energy audit, energy use data, and information for the evaluation of ECMs. Additional technical information, facility descriptions and available information can be found in Attachment B.

2.2 Project Objectives

The Mayor of Philadelphia, James Kenney, has established a framework for the City’s work, structuring efforts around five key areas:

- Creating a safer and more just Philadelphia
- Providing quality education for all
- Producing cleaner and safer streets
- Building inclusive and resilient neighborhoods
- Developing a diverse, efficient and effective government

In this Project procurement, the Procurement Team is committed to supporting investments today that will yield significant energy and cost savings in future years. The objectives for this project include the following:

- Reduce the overall costs and risks related to the City’s energy and water use by contracting with an experienced Proposer for the installation of energy conservation and related measures.
- Reduce carbon emissions through energy efficiency to help meet the City’s climate and energy goals.
- Improve coordination, reliability, and operating efficiency of the buildings.
- Improve indoor comfort and air quality for building occupants and Philadelphians utilizing City services in these facilities.
- Improve the durability and resilience of City assets by addressing fundamental capital needs of buildings and making investments in energy technologies and approaches such as solar, storage, and “hardening” of mechanical equipment.
- Enhance PEA’s and the City’s efforts in pursuing sustainable and modern technologies.
- Provide a robust opportunity to maximize employment of Philadelphia-based businesses and Philadelphians with an emphasis on MBE, WBE, and DSBE companies, and a diverse workforce.
- Optimize opportunities for the City to receive available federal and utility incentives.

2.3 Scope of Services

The Procurement Team is interested in contracting for a full range of energy services and energy-related capital improvements for the Project Sites. The Contractor shall provide complete turn-key services, including but not limited to: the design, acquisition, installation, modification, maintenance, and training in the operation of existing and new equipment, which will reduce energy consumption and related costs associated with the heating, ventilation, and air conditioning system, lighting systems, control systems, building envelope, the hot water systems, water consumption, sewage costs, and other energy-using devices. Additionally, measures which would not reduce consumption per se but are aimed at cost savings, such as fuel switching, demand side management, on-site energy generation, energy storage, distribution upgrades, electric vehicle charging infrastructure, utility bill, meter and/or rate auditing, etc., may also be considered. ECMs may also include the training of facility staff with respect to routine maintenance and operation of all improvements.

The Procurement Team shall structure the Contract as an Energy Performance Contract, which requires the Contractor to provide a performance guarantee – a contractual commitment to PEA that Project implementation will result in a specified reduction in energy and operational savings over a set period of years. This guarantee must offset the costs of the Project including all costs associated with the Project financing plus any service fees for the duration of the contract. If in a given year the guaranteed savings are not achieved due to Contractor-attributable performance failure, the Contractor will be required to reimburse PEA the resulting dollar savings shortfall or provide a mutually agreed upon remedy.

Proposers will be required to guarantee energy and cost savings on an annual basis. To ensure actual savings, the Proposer selected by the Procurement Team will provide Measurement and Verification of installed ECMs. Measurement and Verification activities include assessing that equipment is performing to specifications and verifying the actual savings resulting from the implementation of the Project.

No credit for the achievement of savings above and beyond the annual guarantee will be credited to satisfy performance guarantees in future years of the contract. Annual reconciliation of the achieved savings will be required. Consistent with the provisions of the GESA, no contract may exceed twenty (20) years in duration.

In 2015, the City completed its first guaranteed energy savings project at the Quadplex called the Quadplex Guaranteed Energy Savings Project. This GESA model was followed again for the Philadelphia Museum of Art Energy Savings Project, completed in 2020. The GESA model is currently being used for the Philadelphia Streetlight Improvement Project (PSIP) with PEA issuing a bond to provide project funding. The Procurement Team is open to learning about other types of financing available for this Project. Attachment A, Sections 3.5 and 3.6 includes submission requirements related to financing.

Buildings may be phased or divided among one or more Proposers based on the criteria defined in Section 4.4. Following contract approval and signing, comprehensive Investment Grade Audits of all assigned buildings shall be performed by the Selected Proposer(s).

Proposers are required to inspect the systems and feasibility of energy conservation measures associated with the systems listed in Attachment D, to include in the Technical Submittal portion of their proposal, as defined in Section 4.3.4.

The RFP proposal shall only be based upon the scopes of Municipal Services Building (MSB), Juanita Kidd Stout Center for Criminal Justice (SCCJ), and Health Center #5 along with the site walkthrough(s) and onsite investigations undertaken as part of this RFP response. Proposers will only be evaluated based upon proposals for the buildings and systems outlined in Attachment D, and Innovative Alternative Concepts, as applicable and as defined below.

Proposed Innovative Alternative Concepts

The Procurement Team welcomes Innovative Alternative Concepts and/or suggested modifications to the facilities listed in Attachment D, in addition to the listed measures. For any such concepts the Proposer should provide a concise statement as to why the Proposer is suggesting this alternative or modification and how the alternative or modification would be more advantageous to the Procurement Team while maintaining (or exceeding) the functional and performance requirements of the measures detailed in Attachment D. Suggested modifications or alternatives that are merely offered due to their being part of the Proposer's normal product line and present no tangible benefit to the Procurement Team or do not fully support the defined functional and performance requirements will be judged accordingly. If the Proposer is selected, the final recommended ECMs in its investment grade audit would not be limited to the innovative alternative concepts listed in its proposal.

End-Device Repair Fund

An End-Device Repair Fund shall be made available to repair control devices such as actuators, sensors, and other devices that were not identified during the Investment Grade Audit (IGA) or otherwise included in the final Project scope but are discovered during construction phase to require repair or replacement. Device eligibility will be determined on a case-by-case basis, based on urgency and opportunities for additional savings and/or operational improvements.

2.4 Design Criteria

In addition to prevailing design codes, ECM design criteria shall be based on published ASHRAE standards/guidelines for relevant applications.

In addition, all ECMs shall be submitted for approval by a designee of the Procurement Team prior to construction in a later phase of the project.

2.5 Schedule

For planning purposes, Proposers should consider a construction start in Spring/Summer 2025 following project and financing approval.

A general outline of the procurement schedule has been provided below. The Procurement Teams will make every effort to hold this schedule. Updates regarding the RFP and its schedule will be posted publicly on the PEA webpage for this RFP opportunity at <https://philaenergy.org/public-bids/> and e-mailed to Proposers who have submitted a non-binding Letter of Intent (LOI) by the due date stated below. For added convenience, anyone may opt-in to receive e-mail notifications when updates are posted by signing up via the form here: <https://bit.ly/Quadplex-GESA>.

Activity	Date & Time
Pre-proposal Conference (hybrid format) In-person location: One Parkway Building, 1515 Arch St, Room 18-029 Webinar: http://bit.ly/3QxncWR	November 17, 2023 at 11 A.M. ET
Deadline to submit non-binding LOI via email to gesa@phila.gov	November 30, 2023
Building Walk-Throughs for MSB, SCCJ, and HC#5	Week of December 11, 2023
Deadline to submit questions via email to gesa@phila.gov	January 5, 2024, 5:00 P.M. ET
Answers Posted on PEA RFP website	January 19, 2024
Deadline to submit proposal via email to gesa@phila.gov	February 9, 2024, 5:00 P.M. ET
Proposer Interviews – Location TBA	Week of March 11, 2024
Final Selection of Proposer(s)	April 2, 2024
Project approval and contract signing	Summer 2024
Investment Grade Audit (IGA) Completed	Winter 2025
Financing Secured	Spring 2025, following IGA completion
Notice to Proceed Issued	Spring 2025, following securing of financing

2.6 Construction

Construction of the Project will be coordinated with both the City and any contractors responsible for concurrent work for the City that occurs at Project sites but falls outside of the scope of the Project.

The resulting Contract will be subject to the prevailing wage requirements under Section 17-107 of the Philadelphia Code, that all employees performing work under the contract shall be paid at least the applicable prevailing wages for the respective occupational classifications. In addition, the resulting Contract may be subject to additional requirements in Section 17-107 of the Philadelphia Code, “Contractors: Labor Management Relationships,” and all regulations and procedures adopted thereunder.

Work for this Contract may be reviewed by the City’s Department of Labor to ensure compliance.

(End Section 2)

Section 3 – PROCUREMENT PROCESS

3.1 Project Contact and Communications

3.1.1 Contacts

The only person who may be contacted regarding this RFP or other aspects of this procurement process (“Project Contact”) is:

Tammy Lee
Program Manager, Capital Improvements
gesa@phila.gov

The City is authorized by its Home Rule Charter to enter into long term service agreements with authorities such as PEA. Authorities have assisted the City for more than 30 years in arranging for long-term contracts for the provision of equipment and services. PEA’s charter authorizes PEA’s participation in projects such as this.

3.1.2 Communications and Prohibited Contacts

All communications with the Project Contact regarding this RFP or any other aspect of the procurement process shall be in writing. All communication shall be exclusively directed to the Project Contact, unless otherwise directed in writing by the Project Contact. Other than with the written consent of the Project Contact, any person that is employed by or is otherwise associated or affiliated with a Proposer, or any of their affiliated companies, is prohibited from contacting any employee or official of the Procurement Team or any attorney or consultant of the Procurement Team, on any matter having to do with this procurement.

No oral communication or statement by the Project Contact or other representative of the Procurement Team may in any way modify this RFP or any other aspect of the procurement process. This includes communications and statements that may be made over the telephone or during pre-submittal conferences, interviews, or other meetings attended by the Procurement Team. This RFP or other aspect of the procurement process may be modified only through the issuance by the Procurement Team of a written addendum.

All questions regarding this RFP will be shared by the Procurement Team with all parties who have submitted a non-binding Letter of Intent to Bid or opted in to email notifications, and posted to the PEA website at <https://philaenergy.org/public-bids/>.

3.2 Clarifications and Revisions

3.2.1 Question and Answers

All questions concerning this RFP must be submitted in writing via email to the Project Contact at gesa@phila.gov no later than January 5, 2024 at 5 P.M. The Procurement Team will provide written responses to the submitted questions no later than January 19, 2024. These responses will be emailed to all parties who have submitted a non-binding Letter of Intent to Bid or [opted in to e-mail notifications](#) and posted publicly to the PEA website at <https://philaenergy.org/public-bids/>. Oral responses by any Procurement Team

employee or agent of the Procurement Team are not binding and shall not in any way be considered as a commitment by the Procurement Team.

3.2.2 Addenda to RFP

If the Procurement Team deems it necessary to revise any part of this RFP before the proposal response date, the Procurement Team will contact, via email, each of the parties who have submitted a non-binding Letter of Intent to Bid or opted in to email notifications, and the addenda will be posted publicly to the PEA website at <https://philaenergy.org/public-bids/>.

3.3 Proposal Submission

Each Proposer shall submit its Proposal in accordance with Section 4.

3.4 Evaluation

3.4.1 Evaluation Committee

A committee of Procurement Team representatives, including representatives of the Procurement Team's consultants ("Evaluation Committee"), will evaluate Proposals. The Evaluation Committee will evaluate all Proposals in accordance with the criteria set forth in Section 4.4 as well as any other factors considered relevant to each Proposer's ability to deliver the Project.

3.4.2 Oral Interview

Proposers may be selected to participate in an oral interview with the Evaluation Committee. The purpose of the oral interview is to give the Evaluation Committee an opportunity to ask clarifying questions about the Proposal, including technical details pertaining to the scope of work prior to the final evaluation as described in Section 4.4.

3.5 Next Procurement Phase

Upon selection of the recommended Proposer(s) by the Evaluation Committee, the recommended Proposer(s) will be notified of the selection and contract negotiations may be initiated. As determined in the sole discretion of the Procurement Team, such negotiations may be conducted with all or more than one Proposer simultaneously or with the top-ranked Proposer initially on the detailed terms and conditions for an agreement.

Proposers should assume the following Project Phases (as further defined in Attachment A-1) and expected duration from effective date of the contract or from previous phase:

- a. Phase 1 – Project Development (6-9 months)
- b. Phase 2 – Implementation (duration as determined by the final scope of work)
- c. Phase 3 – Measurement and Verification (M&V) (minimum of 36 months)

The Procurement Team intends to enter into a Guaranteed Energy Savings Contract, with the terms defined in Attachment E, with the Selected Proposer(s). Project development, during which the IGA will be completed, will commence following the Project approval and signing of the Guaranteed Energy Savings Contract.

Implementation will follow the (a) completion and acceptance of the IGA and (b) securing of financing, and will commence upon the issuance of the Notice to Proceed for construction of the Project.

M&V begins at substantial completion and continues for at least 36 months.

3.6 Miscellaneous

Additional conditions that apply to this RFP as well as to the balance of the procurement process include the following:

3.6.1 Non-Exclusivity in Vendor Selection

Entities may participate as Project Team Members in multiple Proposals with the following exceptions:

- a. Entity is a Proposer
- b. Entity holds any direct equity interest in a Proposer

3.6.2 Public Disclosure and Confidential Information

All Responses, Proposals and other information submitted in response to this RFP are subject to the public disclosure requirements of applicable law, including the Pennsylvania Right to Know Law. To the extent permitted by applicable law, the Procurement Team will use its best efforts to keep from public access any specific information that is identified by the Proposer as confidential. If a Proposer claims an exception to public disclosure requirements and desires that the Procurement Team keep certain information from public disclosure, then the Proposal must include a notice as the front page in each volume as follows:

“Confidential Information Notice

The information on pages _____ of this Proposal, identified by a bold vertical line along the right hand margin, contains information that is excluded from public disclosure under applicable law. Proposer requests that such marked information be utilized by the Procurement Team only for evaluation of this Proposal, but Proposer understands that the Procurement Team is bound by applicable law and that such information may be disclosed in accordance with such law.

The legal basis for the claim for protection of the marked information from public disclosure is set forth as follows: [Proposer to provide basis]”

Notwithstanding any such notice, however, the Procurement Team may disclose such marked information to individuals participating in the review or evaluation of Proposals, including members of the Evaluation Committee, other Procurement Team employees, and advisors, attorneys, and consultants.

3.6.3 Costs

Any and all costs incurred by any Proposer, or other party in connection with this RFP or other aspect of the procurement process shall be at such party's expense and risk. The Procurement Team accepts no liability and will not be responsible under any circumstance for any cost or expense incurred to respond to this RFP or otherwise participate in the procurement process.

3.6.4 Procurement Team Rights

The Procurement Team reserves the right to modify this selection process, which may be exercised in its sole discretion at any time during the procurement process:

- (a) to cancel this RFP or the procurement process, with or without the substitution of another pre-qualification or procurement process;
- (b) to waive any informality, defect, non-responsiveness, or deviation in a Proposal, or other submission, that is not material;
- (c) to require one or more Proposers to supplement or clarify its Proposal or to provide additional information after the submission of Proposals;
- (d) to take any action affecting the RFP or the procurement process that would be in the best interests of the PEA or City;
- (e) to conduct investigations and make inquiries concerning any aspect of any Proposal;
- (f) to reject any or all Proposals;
- (g) to reject a Proposer or firm that has been delinquent or unfaithful in the performance of any contract with or obligation to the PEA or City, is financially or technically incapable, or is otherwise not responsible;
- (h) to supplement or amend this RFP; and/or
- (i) to make judgments about the contents of any Proposal with respect to the requirements and criteria set forth in this RFP.

3.6.5 Right to Terminate Prior to Commencement of Implementation

PEA shall have the right to terminate a Contract resulting from this RFP or the procurement process and not proceed with the Construction Work at any time prior to the issuance of the Notice to Proceed. Should PEA exercise such right, other than for a reason specified in Paragraph 4.3.4 of Attachment E, PEA agrees to pay the Proposer a Break Fee of an amount to be determined during contract negotiations.

(End Section 3)

Section 4 – SUBMITTAL REQUIREMENTS

4.1 General Instructions

An electronic copy of the complete Proposal must be submitted no later than the date and time set forth in Section 4.2 (“Submission Deadline”). Any Proposal received after the Submission Deadline will not be considered.

4.2 Submission Deadline

Proposals must be received no later than **5 P.M. on February 9, 2024. Proposals should be electronically emailed to gesa@phila.gov and be no larger than 10MB to ensure delivery.**

4.3 Required Content

Proposers are encouraged to be concise and to respond as directly as possible to the requirements set forth in this RFP. We encourage Proposers to limit generic marketing content. If that content is deemed necessary by the Proposer, please include it as a link rather than in full.

The requirements set forth in this Section represent the minimum content required and, unless expressly stated otherwise, are not intended to limit substantive content. It is Proposer’s responsibility to include information in the Proposal that meets the minimum content requirements and any additional information that further demonstrates relevant experience and capabilities.

4.3.1 Cover Letter

The cover letter shall be signed by an authorized representative of the company(s). The letter shall indicate that the Proposal shall be valid for a period of at least 240 days. The letter shall also include a brief narrative description of the company and its service offerings. It shall also identify the contact person for contractual negotiations, administration, and for arranging an oral presentation.

4.3.2 Introduction and Executive Summary

Summarize the major factors or features of the Proposal, including any conclusions, assumptions, and generalized recommendations the Proposer desires to make. It should be designed specifically for use by individuals that may not have a technical background. It should describe how the Proposer is best able to provide services that meet the PEA and the City’s objectives. It should provide an overview of the planned approach, the project timeline, and include a summary of the firm’s experience with similar projects, and have a maximum length of four (4) pages.

4.3.3 Proposer Characteristics and Project Approach

The Proposer will submit the following details about the Proposer organization, capabilities, and reference projects for the Proposer organization and its sub-contractors. Those requirements are listed here and further defined in Attachment A.

- i. Project Summary
- ii. Proposer Characteristics and Project Approach
- iii. Financial and Business Experience Summary
- iv. Technical Site Assessment

4.3.4 Technical Submittal Worksheet

To supplement the Technical Site Assessment details, the Proposer will submit a summary of proposed ECMs, project costs, project timeline, and cash flow analysis using the associated sections within **Attachment A-1 Technical Submittal Worksheet**. This must be submitted in the MS Excel worksheet format with the proposal.

4.3.5 Form of Contract and Requested Exceptions to Contract Terms

The successful Proposer must enter into an agreement with PEA in substantially the form attached as Attachment E.

Proposers must state clearly and conspicuously any modifications, waivers, objections or exceptions they seek to Attachment E in this section of the proposal entitled “Requested Exceptions to Contract Terms.” For each Requested Exception, the Proposer must identify the pertinent Contract Term by caption and section number and state the reasons for the request. Requested Exceptions to the City’s Contract Terms will be approved only when the City determines in its sole discretion that a Requested Exception makes business sense, does not pose unacceptable risk to the City, and is in the best interest of the City. By submitting its proposal, the Proposer agrees to accept all Contract Terms to which it does not individually list and justify a Requested Exception in its proposal.

The Procurement Team may take into account Requested Exceptions in making its decisions on the award of any contract.

4.3.6 Additional Proposal Submission Requirements

Proposals must also include the following forms and certifications:

(a) Office of Economic Opportunity – Participation Commitment/ Diversity Reports

The Project resulting from this RFP will require an Economic Opportunity Plan which will provide significant opportunities for the participation of MBEs, WBEs and DSBEs (collectively, “M/W/DSBEs”). The City’s Office of Economic Opportunity will review and must approve the Economic Opportunity Plan. The Plan requires evidence that Proposer has exercised its Best and Good Faith Efforts to provide subcontracting opportunities for M/W/DSBEs in all phases of the Project and to employ a diverse workforce. This Plan expressly applies to all contracts awarded in connection with the Project.

As further described in Attachment F, the following participation ranges have been developed as a benchmark for the expression of Best and Good Faith

Efforts to provide meaningful and representative opportunities for M/W/DSBEs in the Project.

Contracts	Minority Owned	Female Owned	DSBE	Total
Construction Work	15%-20%	And 5%-10%	BGFE	20%-30%
Supplies	5%-10%	And/or 5%-10%	BGFE	5%-10%
Professional Services	5%- 10%	And/or 5%-10%	BGFE	5%- 10%

Additionally, the Proposer and its partners agree to exhaust their Best and Good Faith Efforts to employ minority persons, by race and ethnicity, and females in its workforce of apprentices and journeypersons at the following levels:

- African American Journeypersons – 22% of all journey hours worked across all trades
- Asian Journeypersons – 3% of all journey hours worked across all trades
- Hispanic Journeypersons – 15% of all journey hours worked across all trades
- Female Journeypersons – 5% of all journey hours worked across all trades
- Minority Apprentices – 50% of all hours worked by all apprentices
- Female Apprentices – 5% of all hours worked by all apprentices

Proposers must provide a completed EOP and M/W/DSBE Participation and Diverse Workforce Commitments Form that includes proposed project partners with their proposal. Attachment A, section 3.2 includes other submission requirements related to this section.

(b) Philadelphia Tax and Regulatory Status and Clearance Statement

The Proposer must submit a completed Philadelphia Tax and Regulatory Status and Clearance Statement in the form of Attachment G with its response to this RFP.

It is the policy of the City of Philadelphia to ensure that each contractor and subcontractor has all required licenses and permits and is current with respect to the payment of City taxes or other indebtedness owed to the City (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), and is not in violation of other regulatory provisions contained in the Philadelphia Code. To assist the City, through its Department of Revenue and Department of Licenses and Inspections, in determining this status, each Proposer is required to submit with its proposal the certification statement entitled City of Philadelphia Tax and Regulatory Status and Clearance Statement which is attached to this RFP as Attachment G. Each Proposer is also required to submit with its proposal a current Tax Clearance statement to be obtained at <https://tax-services.phila.gov/?Link=TaxClearance/>.

If the Proposer is not in compliance with the City's tax and regulatory codes, an opportunity will be provided to enter into satisfactory arrangements with the City. If satisfactory arrangements cannot be made, Proposers will not be eligible for award of the contract contemplated by this RFP.

The selected Proposer will also be required to assist the City in obtaining the above information from its proposed subcontractors (if any). If a proposed subcontractor is not in compliance with City Codes and fails to enter into satisfactory arrangements with the City, the non-compliant subcontractor will be ineligible to participate in the contract contemplated by this RFP and the selected Proposer may find it necessary to replace the non-compliant subcontractor with a compliant subcontractor. Proposers are advised to take these City policies into consideration when entering into their contractual relationships with proposed subcontractors.

If a Proposer or a proposed subcontractor is not currently in compliance with the City's tax and regulatory codes, please contact the Revenue Department to make arrangements to come into compliance at (215) 686-6565 or email tax.clearance@phila.gov (or please use the general contact information at 215-686-6600 or revenue@phila.gov).

Proposers need not have a City of Philadelphia Business Income and Receipts Tax Account Number (formerly Business Privilege Tax Account Number) and Commercial Activity License Number (formerly Business Privilege License Number) to respond to this RFP, but will, in most circumstances, be required to obtain one or both if selected for award of the contract contemplated by the RFP¹. Applications for a Business Income and Receipts Tax Account Number may be made online by visiting the Philadelphia Tax Center at <https://www.phila.gov/services/payments-assistance-taxes/taxes/business-taxes/business-taxes-by-type/business-income-receipts-tax-birt/> and clicking on "Get an Account or Pay Now." Applications for a Commercial Activity License² may be also be completed online by visiting <https://www.phila.gov/services/permits-violations-licenses/get-a-license/business-licenses/activity/get-a-commercial-activity-license/> and following the instructions listed on the webpage. If you have specific questions, call the Department of Revenue at 215-686-6600 for questions related to City of Philadelphia Business Income and Receipts Tax Account Number or the Department of Licenses and Inspections through 215-686-8686 for questions related to the Commercial Activity License.

(c) Local Business Entity or Local Impact Certification (Optional, if applicable)

¹ Proposers that have a Business Privilege Tax Number should use that number, as it is automatically their Commercial Activity License Number, and need not apply for a new Commercial Activity License Number. Similarly, Proposers with a Business Privilege Tax Account Number should use that number as their Business Income and Receipts Tax Account Number.

² Commercial Activity Licenses are not typically required for non-profit organizations; however, Business Income and Receipts Tax Account Numbers typically are required.

Pursuant to Mayoral Executive Order No. 04 -12, the Procurement Team will, in the selection of the successful Proposer, consider whether that Proposer has certified that either (1) Proposer meets the criteria stated in Section 17-109(3)(b) of the Philadelphia Code to qualify as a Local Business Entity or (2) in the performance of the resulting contract, Proposer will employ City residents, or perform the work in the City. Any Proposer who wishes to demonstrate its eligibility for this consideration shall do so by completing, executing and attaching to its application a completed Local Business Entity or Local Impact Certification, the form of which is attached to this RFP as Attachment H. The Proposer shall then also include in a separate section of the application, labeled “Local Business Entity or Local Impact Certification”, a statement that the Proposer believes it has met the Local Business Entity or Local Impact criteria “as set forth in the attached Local Business Entity or Local Impact Certification”. The Procurement Team shall deem it a positive factor where the Proposer has, in the City’s sole discretion, met the Local Business Entity or Local Impact criteria.

(d) Required Disclosure

Pursuant to Chapter 17-1400 of the Philadelphia Code, Proposers are required to disclose their campaign contributions to political candidates and incumbents who are running for, or currently serving in, a local (Philadelphia) or state-wide elected office anywhere within the Commonwealth of Pennsylvania (federal campaign contributions are not included); any consultants used in responding to the RFP and contributions those consultants have made; prospective subcontractors; and whether Proposer or any representative of Proposer has received any requests for money or other items of value or advice on particular firms to satisfy minority-, woman- or disabled-owned business participation goals from City employees. Proposals must include a completed Campaign Contribution Disclosure Form, Attachment I.

(e) LGBTQ Applicant Opportunity Data

As part of the City’s commitment to diversity, equity and inclusion in all aspects of City procurement, the City is collecting data to identify the number of companies beneficially owned and controlled by Lesbian, Gay, Bisexual, Transgender and Queer persons who wish to do business with the City (collectively, “LGBTQ businesses”). The data will be used to identify the number of LGBTQ businesses currently doing business with the City. It will also assist in efforts to include LGBTQ certified businesses into the City’s vendor database. Response to this form, Attachment J, is voluntary.

4.4 Selection Criteria

Selection will be based on the following criteria, reviewed in an evaluation process conducted by the Procurement team and its expert advisors. These criteria are listed in no particular order.

- (a) Strength of the technical submittal of this Proposal
- (b) Financial strength of Proposer
- (c) Industry position, longevity, and recognition

- (d) Extent to which the proposed solution completely addresses the project scope described herein, directly or through Alternative Innovative Concepts, and as it pertains to the sample buildings, i.e., MSB, SCCJ and Health Center #5
- (e) Customer references
- (f) Proposer team credentials, organization, and staffing
 - a. Proposer team organizational structure
 - b. Proposer team management approach
 - c. Proposer team and key personnel relevant prior experience with comparable large-scale, performance contracting projects in similar facilities
 - d. Diverse representation in proposer team ownership and leadership
 - e. Partner team and key personnel relevant prior experience with comparable large-scale, performance contracting projects in similar facilities
- (g) Proposer Project Development and Implementation Approach
 - a. Approach to overall project planning, phasing, timing and implementation that meet City requirements
 - b. Approach to comprehensive field audit
 - c. Approach to design and analysis
 - d. Approach to project analysis including determination of operating cost savings, inclusive project costs and resulting financial results (e.g. paybacks, cash flows/net present value)
 - e. Approach to final product evaluation and selection
 - f. Approach to construction management and installation services
 - g. Approach to schedule, cost control and risk management
 - h. Approach to and support for claiming federal incentives, including but not limited to 179D tax deductions³ and Inflation Reduction Act tax incentives and grants; and rebate applications for PECO and PJM
 - i. Approach to the Economic Opportunity Plan for diverse and local businesses, and approach to additional workforce development plan to create training opportunities for residents
- (h) Value based on review of proposal for proposed solution including costs
- (j) Local/regional presence
- (k) Any Requested Exceptions to the Contract

4.5 No Rights Selection

The Procurement Team, in its sole discretion, may reject all Proposals and shall reject any Proposal that, in the Procurement Team's sole discretion, does not conform in all material respects to the requirements of this RFP. The Procurement Team may also elect to award a Contract to more than one Proposer for different scopes of work, subject to agreement with each Proposer as to its scope of work.

(End Section 4)

³ The City intends to approve an allocation letter for the awarded ESCO(s) designing ECMs through this project, which will award the designing ESCO(s) applicable 179D federal tax deduction(s), should facilities within this project scope qualify for the 179D tax deduction. Proposers should reflect cost savings in their cost proposals if 179D eligibility is anticipated with proposed project completion.

Section 5 – LEGAL TERMS AND CONDITIONS

5.1 Compliance with Philadelphia 21st Century Minimum Wage and Benefits Ordinance

Proposers are advised that any contract awarded pursuant to this RFP is a “Service Contract”, and the successful Proposer under such contract is a “Service Contractor,” as those terms are defined in Chapter 17-1300 of the Philadelphia Code (“Philadelphia 21st Century Minimum Wage and Benefits Standard Ordinance”). Any Subcontractor (as defined in the General Provisions attached to this RFP), and any sub-subcontractor at any tier proposed to perform services sought by this RFP, is also a “Service Contractor” for purposes of Chapter 17-1300. If any such Service Contractor (i.e. Proposer and subcontractors at any tier) is also an “Employer,” as that term is defined in Section 17-1302 (more than five employees), and is among the Employers listed in Section 17-1303 of the Code, then during the term of any resulting contract, it is subject to the minimum wage and benefits provisions set forth in Chapter 17-1300 unless it is granted a waiver or partial waiver under Section 17-1304. Absent a waiver, these minimum wage and benefits provisions, which include a minimum hourly wage that is adjusted annually based on the CPI, health care and sick leave benefits, are mandatory and must be provided to Proposer’s employees or the employees of any subcontractor at any tier who perform services related to the City contract resulting from this RFP. Proposers and any subcontractors at any tier proposed by Proposers are strongly encouraged to consult Chapter 17-1300 of the Philadelphia Code⁴, the General Provisions, and the About/Minimum Wage and Equal Benefits Ordinances Impacting Some City Contractors links on the eContract Philly home page for further details concerning the applicability of this Chapter to, and obligations it imposes on certain City contractors and subcontractors at any tier. In addition to the enforcement provisions contained in Chapter 17-1300, the successful Proposer’s failure or the failure of any subcontractor at any tier to comply (absent an approved waiver) with the provisions of Chapter 17-1300, or any discrimination or retaliation by the successful Proposer or Proposer’s subcontractors at any tier against any of their employees on account of having claimed a violation of Chapter 17-1300, shall be a material breach of any Service Contract resulting from this RFP. By submitting a proposal in response to this RFP, Proposers acknowledge that they understand, and will comply with the requirements of Chapter 17-1300, and will require the compliance of their subcontractors at any tier if awarded a contract pursuant to this RFP. Proposers further acknowledge that they will notify any subcontractors at any tier proposed to perform services related to this RFP of the requirements of Chapter 17-1300.

5.2 Certification of Compliance with Equal Benefits Ordinance

If this RFP is a solicitation for a “Service Contract” as that term is defined in Philadelphia Code Section 17-1901(4) (“A contract for the furnishing of services to or for the City, except where services are incidental to the delivery of goods. The term does not include any contract with a governmental agency.”), and will result in a Service Contract in an amount in excess of \$250,000, pursuant to Chapter 17-1900 of the Philadelphia Code (see footnote 4 for online access to the Philadelphia Code), the successful Proposer shall, for any of its employees who reside in the City, or any of its employees who are non-residents subject to City wage tax under Philadelphia Code Section 19-1502(1)(b), be required to extend the same employment benefits the successful Proposer extends to spouses of its employees to life partners of such employees, absent a waiver by the City under Section 17-1904. By submission of their Proposals in response to this RFP, all Proposers so acknowledge and certify that, if awarded a Service

⁴ A link to the Philadelphia Code is available on the City’s official web site, www.phila.gov. Click on “City Code and Charter,” located to the bottom right of the Welcome page under the box “Transparency.”

Contract pursuant to this RFP, they will comply with the provisions of Chapter 17-1900 of the Philadelphia Code and will notify their employees of the employment benefits available to life partners pursuant to Chapter 17-1900. Following the award of a Service Contract subject to Chapter 17-1900 and prior to execution of the Service Contract by the City, the successful Proposer shall certify that its employees have received the required notification of the employment benefits available to life partners and that such employment benefits will actually be available, or that the successful Proposer does not provide employment benefits to the spouses of married employees. The successful Proposer's failure to comply with the provisions of Chapter 17-1900 or any discrimination or retaliation by the successful Proposer against any employee on account of having claimed a violation of Chapter 17-1900 shall be a material breach of the any Service Contract resulting from this RFP. Further information concerning the applicability of the Equal Benefits Ordinance, and the obligations it imposes on certain City contractors is contained in the General Provisions attached to this RFP and the About/Minimum Wage and Equal Benefits Ordinances Impacting Some City Contractors links on the eContract Philly home page.

5.3 Responsibility

Proposer shall assume all responsibility and obligation for the acts and omissions of its principals, members, directors, officers, employees, agents, representatives, subcontractors and consultants, together with all other firms, agencies or other persons assisting with the planning, design, construction or operation of the ECMs.

5.4 Governing Law

The terms and provisions of this RFP and any agreements related hereto shall be construed in accordance with the laws of the Commonwealth of Pennsylvania, and any and all litigation, proceedings, claims or actions commenced in connection with this RFP or any agreements related hereto shall be instituted in the appropriate courts in the Commonwealth of Pennsylvania.

5.5 Assignment.

The successful Proposer may not sell, assign, transfer or convey any rights or agreements associated with its Proposal, in whole or in part, without the prior written consent of the Procurement Team.

5.6 Promotion

Unless specifically authorized in writing by the City and PEA, Proposer will have no right to use, and shall not use, the name of the City or PEA (a) in any advertising, publicity, promotion; nor (b) to express or to imply an endorsement of the Proposer's products or services.

5.7 Indemnification

Proposer agrees to hold harmless and indemnify the City and PEA, their officers, employees, agents, consultants and representatives, individually and collectively (for purposes of this section, the "Indemnified Parties"), from and against, and shall assume all liability for, any and all losses, expenses, demands, claims or damages of any kind whatsoever (including loss of use), including losses, expenses, or damages sustained by the Indemnified Parties, arising out

of, related to, or in connection with the Proposer's preparation and submission of a Response and any actions Proposer takes in connection therewith, including, but not limited to, the actions of the Proposer's principals, members, directors, officers, employees, contractors, consultants, representatives and agents, and shall defend any suit or action brought against the Indemnified Party, based on any such alleged injury (including death) or damage (including loss of use), and shall pay all damages, judgments, costs, and expenses, including attorneys' fees in connection with said demands and claims resulting therefrom.

(End Section 5)