



City of Newark

Department of Development

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Mayor

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Tuesday, April 19, 2011

CITY OF NEWARK, OHIO - REQUEST FOR PROPOSALS (RFP)

to construct a solar power system under a Power Purchase Agreement

PROJECT INFORMATION

The City of Newark (the City) is soliciting proposals from Proposers to provide a privately-owned solar electric energy (PV) system and to sell the electricity output to the City through a Power Purchase Agreement (PPA). Proposers should consider the City's wastewater treatment plant as the primary user of this output. The wastewater treatment plant uses approximately 900 kW daily with a peak demand of approximately 1200 kW. The PV system should be scaled to the energy needs of the wastewater treatment plant and existing city equipment. The existing transformer at the plant is designed at 1500 kW. The Proposers may also consider usage options for the City service center and water treatment facility. Please note that electricity cannot be distributed to multiple meters from the same PV system. Proposers should consider the Former Newark Processing Center brownfield site, located at 1367 East Main Street in Newark, as the primary location for the PV system (please see Exhibit 1). The site is approximately 66 acres in size with portions expected to be unsuitable for building this system. However, other land owned by the City of Newark may be considered, particularly if the Proposer is considering usage at the water treatment facility as it is distant from the Newark Processing site (please see Exhibit 2).

Proposers must indicate that they will be responsible for financing, design, engineering, permitting, construction, installation, operation, ongoing maintenance, commissioning, interconnection and integration with existing public and private power systems, and ensuring the full and complete functioning of the PV system as well as any infrastructure necessary to allow City facility power system connections. Proposals should state the City shall incur no costs. Proposers must indicate that they will be responsible for impact studies and applications as required by the electric utility provider and any other entities. The PV system must be designed and installed to operate in parallel with the electric utility provider's system without adversely affecting the operation of equipment. Proposers are responsible for making their own determinations related to the appropriate size of the system, the site chosen, and a specific location at the site based on site conditions.

On Monday April 25th, Proposers will have an opportunity for a scheduled site visit between the issuance of the RFP and the required response date. Prior to the site visit, on April 25th, a short informational session will be offered to any potential Proposers followed by a question and answer

period. This session will be held at City Hall, 40 West Main Street, Newark, Ohio 43055 in Council Chambers at 11:00 a.m. Additional site visits may be scheduled on a limited basis should Proposers have a reasonable need for them.

Proposers will need to be aware that the Newark Processing site is in the process of being remediated under a Clean Ohio Revitalization Grant. This process will continue through the Fall of 2011. This remediation process will require that an engineered landfill cap be installed over approximately 21 acres of aluminum dross material at the site. Although all of the property is owned by the City of Newark, approximately one half of the cap area will be located in Madison Township. Solar panels are likely to be installed on top of this cap. The timing of the remediation and PV system project will require coordination between the City's remediation consultant, Carnoustie Consulting, Ltd., and the chosen Proposer in terms of engineering and construction scheduling. The remediation consultant anticipates grading the landfill cap so that it downwardly slopes to the south for the purposes of solar panel orientation.

Complete proposals are due **4:00 p.m. on Monday, May 23, 2011**. No submittals or additional materials will be accepted after the deadline. Please follow the requirements and format for submittal as outlined in this RFP.

OBJECTIVE

The City's objective is to select a company with demonstrated experience and success in completing solar electric energy system projects for municipalities and providing solar power to municipal facilities under a PPA. The Proposer should show that their proposal will have cost-savings for the City as well as provide a stabilization of energy costs. The Proposer should also show their commitment to the ongoing maintenance and long-term functionality of the system. Further, the Proposer should demonstrate their ability to coordinate with the remediation consultant and begin construction of the system in Fall 2011.

SCOPE OF WORK

The Proposer shall fully finance, design, engineer, build, commission, perform all necessary connections, own, operate, and maintain a complete ground-mounted utility-interactive PV system. The Proposers are not limited in the type of PV system that may be installed. In addition, installation may proceed at any azimuth and orientation which provides the optimum quantity of energy delivered at the lowest price. The selected Proposer will coordinate with the City, the remediation consultant, and other stakeholders as deemed necessary to the project's success.

Proposals shall contain a detailed explanation of the complete project development plan and a description of all work tasks to be performed by the awarded Proposer.

The construction of the PV system must be substantially underway before the end of 2011.

SOLICITATION PROCESS

Proposers who need clarification of the RFP requirements or project information may submit questions in writing or via email no later than **May 16, 2011** to the contact listed below. The City will only accept questions related to RFP requirements and project information in writing or via email. It is expected that the majority of communications relating to this RFP will be conducted electronically as to simplify coordination between City departments. Questions should be sent to:

Stuart W. Moynihan
Economic Development Coordinator
smoynihan@newarkohio.net

Proposal Delivery: Complete responses to this RFP will be accepted up to **4:00 p.m. on Monday, May 23, 2011**. Respondents **must** submit one (1) electronic copy and ten (10) paper copies of their Proposal to both of the following:

1. smoynihan@newarkohio.net
2. **City of Newark Development Department**
Attn: Stuart Moynihan, Economic Development Coordinator
40 West Main Street, 4th Floor
Newark, Ohio 43055

Proposals received after the due date and time will not be accepted

PROPOSAL

Proposals shall be responsive to the following requirements. Proposals should be concise, straightforward and presented simply and economically. Expensive displays, bindings, or promotional materials are neither required nor desired. **Proposals must be on longer than 30 pages**, not including Transmittal Letter, Resume Appendix, and Specifications/Drawings Appendix. Please do not include additional materials.

Contents should include:

1. **Transmittal Letter:** Each proposer's response should include a transmittal letter **signed** by a party authorized to make a formal bid on behalf of the proposer. The letter shall clearly indicate that the proposer has carefully read all the provisions in the RFP and should include a brief overview of the respondent's proposal.
2. **Firm Identification and Background Information**
 - Firm's name, email address, postal address, contact name, telephone and fax numbers

- Federal I.D. number
- Ohio Secretary of State Charter/Registration number or other state, if applicable
- Ohio Certificate of Authorization number or other state, if applicable
- Company brochures/promotional materials will not be accepted

3. Qualifications

If bidding as a project team, please answer the proceeding questions marked with an asterisk () for each individual/firm involved.

- **Company Profile*:**
 - Year founded and number of years in business
 - Status (private or publicly-held)
 - Number of employees companywide at the time of submittal (full time employees, excluding contractors)
 - Number of employees in local branch office, if applicable (full time employees, excluding contractors)
 - Listing of all known subcontractors and the equipment and services they will be supplying
 - Corporate Office location
 - Local Office location
- **Project Team*:**
 - Team leader identification for the entire proposal, including full contact information
 - Identification of each business entity, person or firm involved in the proposal and their role (design, installation, permitting, equipment supply by component, operations and maintenance, etc.)
 - Resumes of personnel directly involved with the development of the proposed systems. Resumes may be put in an appendix.
 - Include all relevant State-Specific Contracting Licenses held for personnel assigned to the project, including classification and number.
 - Include Electrical, Structural and/or Mechanical Engineering Licenses held by firm members assigned to the project, including classification and number. Added weight may be given to firms with engineering personnel on staff.
- **Legal*:**
 - Has your firm or any of the executive officers of your firm been a party to a lawsuit involving the performance of any equipment it has installed? If so, please include a summary of the issues and the status of any lawsuit.
 - Has your firm failed to complete a contracted project within the past five (5) years? If so, please include a detailed explanation of the reason for failure to complete.
- **Safety**
 - List your firm's Experience Modification Rate (EMR) for each of the past three years.
 - List your firm's OSHA ratings (Recordable Incidence Rates and Lost Workday Incident Rates) for the past three (3) years.

- ***Capital Finance Structure***
 - Provide a description of the relevant financing structure (PPA) for the proposed project. Detail any unique features that your model offers in comparison to other PPA (third-party financing) structures.
 - Provide information on those projects installed by your company and financed via a Power Purchase Agreement (PPA). Include the project size in kW (DC), length of contract and financing entity.
 - Provide evidence that your firm has secured or has the ability to secure financing for the total installed cost of the system and all associated components proposed in response to this RFP. This should be in the form of a commitment letter from the anticipated funding source.

4. Solar Project Experience

- List the total capacity (in kW DC) and total number of operational solar electric installations completed by your company/project team to date, as well as the total capacity and total number of ground-mounted installations.
- Provide information on at least 5 projects installed by your company that are of a similar size and type to your proposed PV system. Specifically, we are most interested in projects 1 MW in size or greater that will demonstrate experience working with a municipality and providing power to a wastewater treatment plant.
- Describe your company's experience with various types of solar technologies and experience making functional connections with the power systems of public facilities.
- Describe your company's experience with placing PV systems on brownfields and/or landfill sites.

5. References

- Describe *currently operating* non-residential PV systems greater than 250 kW DC that your company/team installed and commissioned within the past three (3) years (*not in development*). For each, please provide the following information:
 - System Size (kW DC)
 - Customer's and/or owner's name with contact person's name, email, address, phone number
 - Location
 - Date Completed
 - Indicate if the installation was for multiple sites.
 - Indicate whether the system is customer-owned or is a PPA.
 - Any other installation-specific information that may be relevant

- Briefly describe any *currently contracted yet incomplete* projects over 250 kW that your company/team has committed to, including project size (in kW DC), customer name and contact (if available), and estimated completion date.

6. Proposed Solar PV System

- **System Components:** Include an overview of the proposed photovoltaic system, including brief descriptions of the main components (at a minimum modules, inverters and mounting system). Specification sheets for any proposed technologies are encouraged. Detailed equipment specifications should be located in a Specifications/Drawings Appendix.
- **Design:**
 - Include Preliminary Drawings for the proposed solution that include (at a minimum):
 - System size (in kW DC and kW AC)
 - List of proposed equipment appropriate specifications and a description of interaction with power systems of City facilities. Please put specifications in the Specifications/Drawings Appendix.
 - Location of modules
 - Location of inverters
 - Any other site-specific information that will aid in overall evaluation.
 - Describe any necessary alterations to the power system at the wastewater treatment facility to handle the output of the PV system and how this will be accomplished. Provide a drawing detailing the point of connection at the wastewater treatment plant. Detailed specifications should be provided in the Specifications/Drawings Appendix should the Proposer wish to install any equipment on the actual plant site or replace existing equipment.
 - If making a proposal for other City facilities, make a similar description for those systems.
 - Describe how you plan to coordinate with the remediation consultant on design, engineering, and construction where necessary.
- **Schedule:** Include a Preliminary Project Implementation Schedule in the format of a Gantt chart that accounts for milestones in the Design, Construction and Closeout Stages. Milestones should include (at a minimum):
 - Award & Contract Negotiation
 - Design Period
 - Preliminary design
 - Design coordination activities
 - Final design
 - Permitting
 - Installation
 - System Commissioning (Energizing)
 - Delivery of Closeout Documentation.

For the former Newark Processing Center site, include a schedule that corresponds to the timing of the remediation schedule. This schedule is included in the Reference Materials.

- **Other:**
 - Proposed lease, or other, arrangements for the use of City owned property
 - Describe the intended use of products, services, and workers that are from the USA, Ohio, or the Newark area. Some level of preference will be given for products, services, and workers from a closer locality.

7. System Performance Monitoring, Warranty and Service (O&M)

- **Monitoring Solution:** Indicate how the Proposer provides system performance monitoring and its availability on-site.
- **Warranties:** Describe any warranties associated with the install, including full system coverage and/or warranties associated with individual components. This includes equipment installed at City facilities and intended to interact with City power systems.
- **Operations & Maintenance Services:** The Proposer must provide Operations & Maintenance (O&M) services for the full term of the PPA. Please fully describe the proposed O&M plan and procedures for the system, detailing duties performed and if the contract will be maintained with the Proposer or a third-party provider. Describe your experience providing such services for similar installations and name the key personnel in charge of handling O&M services.

8. Price and Performance Proposal

- Proposers should create a Price Proposal worksheet accounting for all applicable incentives and credits in their pricing, intending to maximize the financial benefit for the City. The electricity price must demonstrate a cost-savings/cost-avoidance to the City over the life of the project. Please include a description of any other relevant costs or cost-savings to the City.
- Note: The City receives service under the provisions of American Electric Power's Schedule GEN SERV MED PRIMARY, code 244. A worksheet and description of applicable Ohio Power Tariffs for unbundle standard service are available at <https://www.aepohio.com/account/bills/rates/AEPOhioRatesTariffsOH.aspx>
- Questions related to rates may be directed to Jeff VanDine of AEP at (740) 349-4011 or jwvandine@aep.com.
- If feasible, the City is interested in receiving a guaranteed percentage reduction on the AEP rate.
- Identify how your company proposes to make use of Solar Renewable Energy Certificates (SRECs), tax credits, and accelerated depreciation.
- Given that Ohio's SREC market may be challenging, describe your approach to selling the SRECs for the next 10 years.

- Describe your company’s current status or intended actions that will allow a 1603 Cash Grant for 2011 to be secured, if you intend to do so.
- The Price Proposal Form shall be **signed** by a representative authorized to submit bid and pricing information on behalf of the Proposer.

9. PPA Description

- The term of the PPA as well as a description of operational and ownership options of the PV system at the term’s end.
- Any other relevant information related to the PPA not previously discussed.

10. Value-Added Elements: Please note any value-added elements, experience and/or offered services that the City should take into account when evaluating your proposal. Please be concise in your response. For instance, you may discuss public relations, educational, or lobbying efforts which will be used to push the project.

SELECTION PROCESS & AWARD

Proposals will be evaluated and scored on a point system with a maximum of 200 points available. Those Proposers that are unable to demonstrate a cost-savings or financial benefit to the City will not be considered further. The Proposer with the highest total point score after evaluation will be the successful bidder and will be the first to enter into contract negotiations. **The City expects to make a selection during the month of June 2011.** A detailed scoring metric can be found below.

The City reserves the right to accept or reject any or all Proposals, make more than one award, or no award, as the best interests of the City may dictate. Since it is not possible to specify all of the City’s requirements in this RFP, it is possible that further discussion or negotiations may take place. Therefore, the initial successful Proposer will be awarded the right to negotiate those requirements with the City. If the initial successful Proposer and the City are unable to reach agreement, the City reserves the right, but not the obligation, to negotiate with the next ranked Proposer.

Qualifications & Capabilities Considered	Maximum Points per Category
<i>Transmittal Letter (Signed) and Firm Identification</i>	10
<i>Qualifications</i>	40
Company Profile and Licensing	
Finances, Legal, and Insurance	
Project Team & Resumes	
Quality Assurance and Safety	
<i>Solar Project Experience</i>	40

Capacity Installed and Types of Installations	
References: Completed and Current/Incomplete	
<i>Proposed System</i>	20
System Components	
Preliminary Design	
Design and Construction Schedule	
<i>Monitoring, Warranty and Service</i>	40
System Monitoring	
System and Component Warranties	
O&M Services	
<i>Value Added Elements</i>	10
<i>Price Proposal and PPA Description</i>	40
<i>Total Evaluation Points</i>	200

GENERAL TERMS & CONDITIONS

City Responsibilities: The City shall make a reasonable effort to provide Proposers with the information necessary to produce knowledgeable and complete responses. This will include (but will not be limited to) providing historic usage data for the proposed site(s), providing appropriate site access during the site walk and after contract award, answering non-technical questions asked by proposers and providing any information that will assist in response preparation. The City and its decision committee will also fairly evaluate all responsive proposals and make their final decisions accordingly.

Other General Terms

- The submission and any information provided as part of the submission will not be returned to submitters and will become the property of the City. This RFP and the selected firm's submission, as well as any subsequent information provided, may, by reference, become a part of any formal agreement between the submitter and the City resulting from this solicitation.
- Neither the City, nor any of its officers, agents or employees, shall be responsible for the accuracy of any information provided to any Proposer as part of this RFP. All Proposers are encouraged to independently verify the accuracy of any information provided. The use of any of this information in the preparation of a submission is at the sole risk of the Proposer.

- The person executing the Proposal should be empowered to execute a formal bid on behalf of Proposer. The Price Proposal worksheet shall be signed by a representative authorized to submit bid and pricing information on behalf of the Proposer. Proposer's Representative shall sign each letter required in the Proposals. **Failure to sign the required documents will cause the Proposal to be rejected.**

City Rights: During the solicitation process, the City reserves the following rights:

- to require additional information or submittal requirements
- to reject any & all Proposals, and to postpone, re-solicit, or cancel the selection process
- to reject additional information from any Proposer
- to waive liability for reimbursement of any costs incurred by Proposers to the RFP

AUTHORIZATION

No Council action is necessary for the City to enter into a Power Purchase Agreement as appropriations have been made for the purchase of electricity. However, upon completion of the contract and the intent to lease City property a resolution from Council will be needed.

REFERENCE MATERIALS ([available on website](#))

- Maps of City-owned land near the City wastewater treatment plant, service center, and water treatment facility (Exhibits 1 and 2)
- Historic power usage data for the wastewater treatment plant
- Implementation schedule of remediation the former Newark Processing Center site