

15 September, 2010

RFP Questions and Answers

1: It appears that there were meant to be some more information between pages 23 and 24. Is that correct?

Information wasn't missing - the tables interrupted the outline of proposal requirements, a continuation of an earlier section. I've reorganized it so that it makes a bit more sense. The new version is on the city's web site.

2: What role does Veolia play?

They were hired to do the feasibility study. The city has no ongoing obligation to them. We expect they will bid on the project.

3: What would the ownership structure be?

We are open to various proposals. It could be owned by the city, by the city and the state, by the city and a private entity, or by the city, state, and a private entity. The RFP asks people to address an ownership structure that involves the city and the state. Alternative proposals should prepare financials for this scenario and also include the benefits of a different approach.

4: What is the financing for the plant?

The city has an \$8 million grant from the Department of Energy for the project. We are going to be posting a bond vote for the remainder of the cost of the project for the November election. The State of Vermont currently owns the plant, and they may choose to continue with either full or partial ownership. In that case, they would be asking for funding in their capital budget during the legislative session.

5: Is it possible to separate out the plant from the distribution system for the purposes of ARRA funding?

It is possible to seek waivers from the Buy USA rule in cases where the equipment can't be purchased here, or when it is in the public interest to purchase equipment that is more cost-effective. It typically takes 30 days to go through the system. There are non-availability waivers and public interest waivers.

6: Do we have to include all permit fees in the bid documents? What about a building permit from the city. If the city owns the facility, would they have to submit a building permit?

It is best to assume that all permit fees should be included in the cost of the project.

7: Will the proposed energy plant need to go through the city's Design Review Committee, or will it have to go through the Capitol Complex Commission?

It depends on whether it is fully state owned or city owned, or... that question is still open. Better to assume that it does have to go through design control. The Capitol Complex Commission process is pretty much the same thing, except they don't meet as often or on as predictable a schedule.

8: There is still a problem in lack of clarity in what it is you are asking the contractors to do.

The Request for Proposal (RFP) is performance-based. As such there may be a variety of ways to achieve the goals and the specifications provided in the RFP. The objective of the RFP is provide a set of specifications that responders are to meet and that each respondent is free to submit a proposal to meet these specifications as they see best.

9: Does the service requirements of the district energy distribution system have to be met upon project start-up or can the system be developed in phases?

The service requirements of the district energy distribution system could be met either in discrete phases or all at once. The Feasibility Study envisioned that the initial phase of the City of Montpelier district hot water energy system would include Montpelier High School, Union Elementary School, and Montpelier City Hall, Fire Station and Police Department. Bidders are free to contact additional potential users to obtain commitments for an initial phase.

10: When the RFP says the proposal should provide district hot water to customers consistent with the application that doesn't mean they are laying pipe and doing service piping for 180 kilowatts.

Correct. If you propose in Phase 1 that your hookups are for the public buildings and then in Phase 2 include some more of the commercial buildings that are easily accessible by the pipeline route, and then in Phase 3 what would that look like to complete the project as envisioned under the original DOE grant. For Phase 2 and 3, the interconnects would be outside the scope of this RFP.

11: Was district cooling not considered for a reason?

It has been concluded that there is insufficient cooling load to justify district cooling.

12: Electricity appears to be a secondary factor in the RFP. Maybe it could be used if people want to put air conditioners in their windows for the short term and then some of that electricity could be used since it is free. You could divert some of that electrical energy to provide a building capacity with known air conditioner units.

It is correct that the majority of the input energy to the facility will be to provide building heating. Electricity generation is to increase the overall efficiency of the facility, provide

renewable generated electrical energy to the Vermont electrical grid and to provide an additional revenue stream for facility operations. How consumers may choose to use that electrical energy is beyond the scope of the RFP.

13: A questioner inquired; if you are going to be putting pipe in the ground he would like to put electrical transmission lines along with it. It could be building specific. How cooperative is the prevailing company that controls the electricity?

The question is beyond the scope of the RFP. The project is located in the service territory of Green Mountain Power. They have a track record of cooperation, and the bidder should contact them to coordinate at the appropriate time.

14: As far as the actual transmission of the heat the power piece is steam and hot water, and obviously some of the older buildings are going to be steam. Is it the intent for the energy to be transmitted to steam and convert it down to hot water?

The base proposal is for the Energy Center to provide steam for the state of Vermont's steam distribution system and hot water for the proposed City of Montpelier's District Energy Distribution System.

15: Do any of the three public schools currently use steam delivery?

The initial phase of the district heat system identified in the Feasibility Study incorrectly identifies three public schools; there are only two. The two are Montpelier High School and Union Elementary School. The Feasibility Study incorrectly identifies the "East State Street School" as owned by the City of Montpelier. This building was a public school in the past: the building was sold and is a privately owned building today.

On the city's web site (<http://www.montpelier-vt.org/community/99.html>) is a 2006 assessment of Downtown Montpelier Buildings: Heating System Type (2006). This assessment identifies the Montpelier High School has a hot water heating system and Union Elementary School has a both steam and hot water for heating. Bidders should exhibit due diligence to ensure this assessment is correct.

16: Is it correct that Main Street Middle School is all hot water?

Main Street Middle School is reported to be a hot water system in a 2006 assessment (<http://www.montpelier-vt.org/community/99.html>).

17: How will this project be funded?

The base assumption of the RFP is that the project will be funded (owned and operated) by a combination of federal, state and local funds. The City has received an 8 million dollar grant toward funding the Montpelier Community Renewable Energy Project (MCREP). The MCREP includes establishing a Property Assessed Clean Energy district (PACE) within the city of Montpelier. The final mix of funding cannot be established until after action by city voters and the State Legislature, as well as reviewing all responses to the RFP, as the RFP does invite

submissions that would be based upon other funding and/or ownership models. These alternatives could include private or public-private funding/ownership models.

18: Would the City be open to other than a publicly owned facility built with bonded funds?

Yes.

19: Has the idea of state appropriations been discussed with any of the companies?

The matter of state appropriations has been discussed on numerous occasions with numerous parties since this project was originally conceived over fifteen years ago. The final decision on any state appropriation rests with the Vermont Legislature.

20: Is the bond vote going to be put to the voters as only being paid for by the users of the heat or is going to be assessed on a tax base for the city of Montpelier?

It is intended that the bond to support this energy facilities will be a revenue bond. A revenue bond means the revenues from the sale of the energy will be used to pay off the bond. The bond vote for the PACE element of the project will be a general obligation bond. Payments to the PACE bond will only be made by those who choose to participate in that program. As these are two separate bonds, there will be two separate votes: one for each.

21: Veolia was selected as the development partner and the DOE grant was written with that idea, and now we have this process. What is the relationship between the city and Veolia?

Veolia was hired by the City to complete a feasibility study under a grant the City received from the state of Vermont Clean Energy Development Fund. This work was performed under a limited client-contractor relationship to provide a technical assessment of the feasibility of the project. The Feasibility Study is completed and available on the City's web site (<http://www.montpelier-vt.org/community/99.html>). The City has no continuing relationship with Veolia.

22: In the '08 feasibility study there is an indicated preference for a European boiler. Will that be reflected in the assessment of proposals?

It is well established that there is more experience with biomass hot water district energy systems in Europe than the United States. While there are references to this greater European experience, the desire is for a low-emission, highly efficient and reliable system. This is why the RFP is based on performance that bidders can substantiate.

23: How can potential bidders access background information?

Previous technical assessments, reports and DOE requirements are posted on the City's website at <http://www.montpelier-vt.org/community/99.html>.

24: Would the city award a contract now without a bond vote? When does the state process being?

A timeline for review and processing of received proposals is provided in the RFP (page 19, "RFP Timeline"). This process identifies that notice of selection of the successful respondent is not expected until November 2010, with contract negotiations to follow. Therefore the City would not enter into a contract before a bond vote.

The state process has begun. The City has been working closely with the state of Vermont, and that work is ongoing. The City is working with the Vermont Division of Buildings and General Services to put technical definition to the project. Following technical definition, the City will work with the Administrative and Legislative branches of government for the necessary approvals and funding.

25: It was mentioned that the facility is state owned. Would there be a lease?

Correct, the current facility is owned by the state of Vermont. If the outcome is a project jointly funded solely with public funding a long-term operational agreement will cover the city-state issues. This may take the form of a lease or other appropriate instrument. As the RFP does allow for a respondent to submit other models for financing the project, including private ownership, other agreements, arrangements or legal instruments may be appropriate. An important issue in addressing ownership will be valuing current assets.

26: How come this process is being pursued for design and permits and construction?

The project is on an expedited timeline. The \$8 million federal grant is derived from the American Recovery and Reinvestment Act (ARRA) and is conditioned on project completion by the end of 2012. Further, linking design, permitting and construction with one entity provides for the most efficient development of the project and ensures consistency among design, permitting and performance.

27: However many teams proposed on this project, will one be selected from that process and they get the job should the bond be voted?

The RFP identifies the process and timeline for the review of received proposals. In the RFP the City does provide standard RFP language that it "...reserves the right to reject any and all responses to this RFP." For the process to move forward it does require a combination of affirmative actions by the City of Montpelier and the State of Vermont.

28: In terms of the proposal evaluation 40 percent is on the cost. How are you going to evaluate proposals that might be very different from each other?

The structure of the RFP is to encourage different approaches to meeting the same performance. The City desires to tap the creativity of the design/build community to receive highly cost-effective proposals to meet the energy requirements with highly efficient and clean design

solutions. It is the substantiation of meeting the RFP specifications that will enable the evaluations of the proposals.

29: Is Canadian equipment useable under the ARRA? There is the NAFTA agreement with Canada.

No. Unless a waiver is achieved, all applicable ‘buy American’ provisions of ARRA apply.

30: Questioner understands the waiver process is almost impossible to get through.

City representatives have discussed with DOE officials the ‘buy American’ provisions of ARRA and waivers to them. There are two criteria for a waiver. One is **non-availability**, which means the item is not available in the United States. The other is **public good**, which means the European or other foreign option provides a beneficial and desirable service that would not be otherwise realized. DOE has been reviewing waiver requests and granting them where justified.

31: If a bidder comes up with an alternative that is different from everybody else do they have to share?

No. Proposals will not be opened until the day the bids are due, and all bids are held as confidential until the day the bids are open.

32: What are they evaluating in the environmental assessment where the pipe is going under the river at Langdon Street.?

The Environmental Assessment of the routing of the energy pipe under the North Branch at Langdon Street is for the purpose of indentifying the potential impact of any cultural or environmental resources that might be impacted by that routing.

33: Could they be more specific about the objections to a pipe bridge.

Most of the downtown is in the Historic Design District and a pipe bridge, especially in the location between Main Street and Langdon Street, has the potential to seriously distract from its historic design. Preservation of this district is highly valued by the community. With the proposed project timeline being very aggressive, it has been judged to be more efficient to route the piping in the streets and cross the river by going under it. While alternate routing is possible it would complicate the process, as the Environmental Assessment may have to be redone, and would add time to a project that has an aggressive timeline.

34: It has been stated that there is some weight to equipment being made in the U.S. Is there any weight to equipment being made in Vermont?

No. The only consideration for where equipment and material originate are contained with the ‘Buy American’ provisions of ARRA.

35: Is there going to be available via web comprehensive CAD data for utilities on the streets?

The City of Montpelier is transitioning to this information being available electronically. Tax map information contains some of this information and can be accessed from the City Assessor's Office web page (<http://www.montpelier-vt.org/department/69/Assessor.html>) – link to Parcel Maps. Additional GIS based information is under development by the City's Department of Public Works.

36: Would the expansion of the pipe network affect the current environmental review?

As federal funds are contributing to the construction of the project, an Environmental Assessment is required by the National Environmental Protection Act (NEPA). In order to move forward, among other things, a routing of the energy piping had to be identified. The logical routing of the piping is within the City Right of Way (ROW). This routing places the piping in an area where utilities are traditionally placed and expected, and land that has been previously disturbed. Further it places the piping in close proximity to buildings that may connect to the system in the future. If a bidder believes there is merit in routing the piping elsewhere, they would have to provide the appropriate demonstration that the expected Finding of No Significant Impact (FONSI) under the Environmental Assessment is not contradicted.

37: What organizations and/or consultants will be involved in the evaluation of the proposals?

The City of Montpelier is the issuer of the RFP and responsible for its review and any decisions made. In general it is expected that City staff will direct a review panel which will include members of the City's Energy Committee to review the responses received to the RFP. The review panel would make recommendations to the Montpelier City Council, and City Council would make final decisions. Depending on the complexity of the proposals received, the City may seek technical support from entities such as Biomass Energy Resource Center (BERC), DOE's National Renewable Energy Laboratory (NREL), and the state of Vermont, as well as considering hiring technical consultants.

38: Questioner asks if he misread the commissioning date of January 12, 2012?

The RFP Project Schedule (page 18) identifies commissioning, shakedown and start-up as September 2012. The RFP Project Schedule at "h)" does identify January 2012 as the date when Project documentation is to be complete. This is an error and should read "January 2013". The correction will be made and notice provided.

39: Questioner inquires as how the lead time of the boilers will affect the schedule.

Biomass fueled boilers are larger and made in smaller quantities than fuel-oil boilers. As such they are long lead time items. To meet the project schedule it is likely that the biomass boilers would have to be ordered before the regulatory review processes are completed.

40: There was a meeting on the question of whether the ACT 248 for a power production project would in fact be one stop because it would have to go through Act 248 and Act 250. Has there been a conclusion that Act 248 is all that is needed?

A formal Jurisdictional Opinion (JO) has not been issued as to how the regulatory processes of Section 248 and Act 250 would be applied to this project. Because the project generates electricity, it is subject Section 248. The complication is that the current facility operates under an Act 250 permit. There is precedent that in a situation such as this, that Act 250 review would be superseded by Section 248 review.

41: How much is the match for the project?

The match requirements under the DOE grant is 50%. In accepting the federal funds, the provisions of ARRA apply to the entire project.

42: The Questioner would like to have some further conversation about potential partnering arrangements. The people he represents are very open to public/private partnerships.

The city is open to receiving a proposal based on a public/private partnership. One of the original visions of the project was that it would be a public/private partnership and the City remains open to this idea. The Vermont Buildings and General Services Division is overseeing an analysis to consider a variety of ownership/operator models. The results of these analyses would play heavily in the review of public/private partnership proposals.

43: What buildings have agreed to be hooked up?

The base case of Phase 1 (as suggested by the Feasibility Study) is designed around connecting City owned properties (the two schools identified in Phase 1 are city owned), as the City has control of these buildings. The City is working to include federal buildings in the initial connected load.

44: What is the population of Montpelier?

The population of the City of Montpelier is approximately 8,000.

45: Questioner is going to be putting in a proposal but it would be part of a team rather than an independent. Should he still submit a Letter of Interest?

Whoever is the team leader should indicate the interest for the whole group.

46: By crossing the North Branch, how many buildings are connected?

The core of the Montpelier downtown community is located east of the North Branch because most of the downtown buildings are located there. Of the City owned buildings, Union Elementary School, City Hall, and the Fire and Police Station are located on the east side.

47: If they put a trestle connected to the bridge that matched the bridge’s design, and underneath it you ran the pipe, would that be a violation?

A structure of that nature would be subject to local review and would need to receive local permits and approvals.

48: How does the floor of the current state boiler plant relate to the floodplain?

The floor of the current boiler is significantly below the level of the floodplain.

The Feasibility Study suggests demolishing both buildings and retaining the existing smokestack. However consideration should be given to all possibilities, including the possible reuse of any of the existing structures for wood storage. These structures were built in 1946 and are considered contributing structures to the National Register District. It is expected that one of the outcomes of the Environmental Assessment process will be a requirement, at a minimum, of a plan for documenting the existing facilities and to maintain as much of the existing structure as practical. Montpelier has the largest National Register District in the state.

49: Is the plant considered fully remediated? Is there any asbestos in there?

The City understands that asbestos removal has been completed at the current state boiler plant. There may be a minor amount of residual asbestos on the top of the two oldest boilers as access to that material could be achieved during the removal project.

50: What about the transit center?

The Transit Center is no longer being considered as part of this project and was not included in the RFP.

51: Was the Veolia solution well received?

The report entitled “Feasibility Study for the City Of Montpelier District Energy CHP System” together with its addendum by Veolia Energy is considered a sound accumulation of information, based on general accepted engineering analysis and presents one vision of how the project might be developed. This information, along with other documents on the City’s web site (<http://www.montpelier-vt.org/community/99.html>), is provided as a resource for bidders to propose a project that would meet the requirements of the DOE grant.

52: Where is the fuel oil storage tank?

The existing fuel storage tank is buried in the ground directly in front of the existing state boiler plant. The tank 20 years old or more and its replacement is a provision of the RFP.

53: Is there a reason why they chose fuel oil and not natural gas?

There is no natural gas service in Montpelier or the surrounding area.

54: Questioner saw in the information on building systems that there was a reference to gas but that must have been propane.

The Questioner may be recalling from some of the background information that there are commercial buildings in downtown Montpelier currently heated with propane.

55: Are the existing buildings metered?

The existing buildings are not metered for fuel use. Fuel purchase records have been used to quantify building energy consumption.

56: Is one of the requirements to move the existing boilers out of the floodplain?

Yes, that is a real important goal of the project.

57: Building a structure around it to keep the water out would work too, wouldn't it?

That would be one flood proofing option.

58: How are the water utilities regulated?

The City of Montpelier is the provider of water throughout the City and has complete control over all aspect of the utility's operation through the City's Charter and water ordinances.

59: Has the bid review committee been selected?

See response to Question 37.

60: Please provide the CAD drawings we see in the Veolia scoping study.

The available documents are posted on the City's web site (<http://www.montpelier-vt.org/community/99.html>)

61: Who will be reviewing the proposals and providing guidance to the City Council?

See response to Question 37

62: Provide the current amount of greenhouse gasses released by the State plant and the 5 buildings for conversion (the RFP requires each bidder to state the "Annual Green House Gas Emissions reduction." We cannot calculate the reduction without understanding the existing total.

Bidder should make their own calculations of existing and future emissions to ensure consistent calculation methods are used. Data are provided in the Feasibility Study on the type and amount

of fuel consumed by the current facility. Bidders should use accepted engineering calculation methods and document those calculations made.

63: What involvement do the Biomass Energy Resource Center and Efficiency Vermont have in this project?

The Biomass Energy Resource Center is under contract to the City of Montpelier to provide engineering, technical and other support services for project development.

Efficiency Vermont had no involvement in this project to date.

64: Confirm the 5 City buildings to connect are

- 1. Union Elementary**
- 2. High School**
- 3. City Hall (with the Fire Station)**
- 4. Police Station**
- 5. East State Street office building.**

The vision of the initial buildings to connect as presented in the Feasibility Study performed by Veolia Energy is the five buildings listed. It is important to note that the “East State Street office building” is no longer a municipally owned building and therefore no longer under the control of the City of Montpelier. For that building to be included in the initial phase of the project, a specific agreement would have to be reached with the current building owner.

65: How can bidders access the 5 buildings for developing the interconnection and conversion details?

Bidders should make arraignments directly with the building managers.

For Municipal buildings contact:

Todd Law, Director of Public Works
Montpelier City Hall
39 Main Street
Montpelier, VT 05602-2950

For School buildings contact:

Mark Mason, Superintendent of Schools
Montpelier Public Schools
5 High School Drive, Unit 1
Montpelier, VT 05602

66: Please provide mechanical, electrical and architectural drawings of the 5 buildings for conversion.

Bidders who feel they need this information should contact the building managers directly to determine the availability and suitability of available information and to make arrangements for obtaining information deal useful.

67: The school district recently completed an energy savings performance contract. That contract included significant upgrades and changes to the mechanical systems within the schools buildings. Please provide copies of the performance contract documents, including monitoring and verification reports.

The documents requested are contractual documents. Bidder should contact the school district administration to determine what legal protections, if any, these documents have and their ability for release. Contact information provided in Question 65.

68: Please provide any reports or surveillance document on asbestos containing materials within the 5 buildings for conversion.

As noted in #64 above, only buildings 1 through 4 are municipal buildings. Should the bidder determine inclusion of building #5 in an initial phase is desirable, bidder should contact the building owner for any and all information. As to buildings 1 through 4, contact the appropriate building manager (see response to Question 65).

69: Please provide architectural and structural drawings of the existing State boiler plant.

These documents can be provided to the successful respondent.

70: Please provide underground utility drawings of the State boiler plant site.

These documents can be provided to the successful respondent.

71: Please provide a topographical drawing of the site and the streets where the district heating piping will run.

The base case pipe routing has been identified. This routing is primarily in the City streets and the City ROW. Topographic information of this routing is generally available from many generally available products such as Google Earth. The questioner is directed to these generally available products as the City has not generated this specific information.

72: Please provide a map or drawing indicating existing below ground utilities.

Available information will be reviewed and posted on the City's website by September 3, 2010.

73: Does the State have any maintenance or repair history on the existing chimney?

Yes.

74: Does the State have any condition assessment or usability reports on the existing chimney?

Yes. A full assessment was performed in 2005.

75: Please provide any water chemistry reports the State has concerning the makeup water.

The makeup water to the existing boilers is provided by the City's water system. This water meets potable water quality standards. The Department of Public Works publishes annually a report of water quality. These reports can be accessed on the web at: <http://www.montpelier-vt.org/page/243.html>

76: Please share any design or procurement documentation related to the in-progress work on the chimney (scaffolding and workers are visible at the chimney's top as of August 13, 2010).

The specific work referenced was to implement recommendations from the 2005 assessment (see response to Question 74).

77: What fraction of condensate does State return?

It is estimated that approximately 75% of the steam condensate is returned.

78: What temperature condensate does State return?

The temperature of the return condensate is estimated to range around 170F to 180F.

79: Can you provide guidance on the Buy America requirements of this project? Specifically how much of the project is required to be US-sourced and does NAFTA allow Mexican and Canadian products to fall under the Buy America classification?

No. It is the responsibility of the bidder to ensure compliance with the "buy American" provisions of ARRA.

80: Will the City consider the bids responsive if our base offering provides the required heating capacity but accomplishes it with a different quantity of boilers? Or is the City requiring all bidders to provide the same base bid and offer alternates beyond the base.

Bids that meet the conditions and specifications of the RFP will be considered responsive.

81: Please publish the list of bidders who provide a letter of interest.

A list of firms/teams that have submitted a notice of intent to submit will be posted on the City's website (<http://www.montpelier-vt.org/community/99.html>)

82: RFP item 1)d)iii instructs the bidder "consider the demand curve." Provide a demand curve for the existing State load and for the future connected loads.

Information on the historical temporal pattern of energy requirements is provided in the Feasibility Study and other background documents found on the City's website (<http://www.montpelier-vt.org/community/99.html>). The future load curve will be dependent on the specifics of a respondent's proposal. Respondents should articulate in their proposal their considerations of the varying demand over the course of the year, and this curve could be affected by the proportion of energy used for heating versus electrical energy generation.

83: RFP item 1)e)vi demands the backup heating equipment provides heat during all times. Define a maximum downtime between normal operation and resupply at full capacity in the case of an outage.

The RFP provides the performance specification that backup heating be able to satisfy the all heating loads connected to the system. The interface between normal operations and an event which would trigger the operation of the backup system shall be designed by the respondent. The system is to provide seamless integration, providing heat from the backup system in a way that provides uninterrupted service to the end user.

84: RFP item 1)e)xx requires the bidder to provide power generation equipment capable of frequent restarts and RFP item 1)a)i requires "minimal intervention by the plant operator." RFP item "RFP Timeline" viii indicates cost is the most important consideration. These goals are diametrically opposed. Considering the project size it is not feasible to create an electrical generating system that meets both the low cost requirement and provides for minimal operator involvement for restarting the power generating apparatus. Please provide guidance on this topic.

A complex project has many elements to it, some of which may be working against each other. This is not unusual in a project of this nature. It is the responsibility of the bidder to developing an engineering solution which optimizes all subsystems to meet the meet the performance specifications of the RFP.

85: RFP item 1)e)xxiv requires the contractor to scientifically tune the installed equipment on a "schedule set by the City..." Please define how frequently the City expects to require this tuning so all bidders can offer their services equally.

This provision of the RFP provides notice of the future responsibility of the successful respondent and becomes applicable once the facility is operational. The specific schedule and frequency will be dependent on the initial performance of the system is unknown at this time.

86: RFP item 1)e)xxix uses an undefined acronym (CPG). Please confirm this acronym indicates "Certificate of Public Good."

The Questioner is correct. CPG is an acronym for Certificate of Public, the approval issued by the Public Service Board under Section 248.

87: RFP item 1)e)xxvi instructs bidders to consider certain documents. What impacts will the State's Capitol Complex Master Plan and the City's Master Plan have on this project? If this question is too vague, provide copies of these master plans.

The Questioner is referred to the following:

To understand the responsibilities of the Capitol Complex Commission see The Capitol Complex Commission Review and Approval Guidelines. This document and other information regarding the Capitol Complex Commission can be obtained by contacting

Wanda L. Minoli, Principal Assistant
Department of Buildings and General Services
Office of the Commissioner
2 Governor Aiken Avenue
Montpelier, Vermont 05633-5801

With regard to the City of Montpelier's Master Plan, the document is available at: <http://www.montpelier-vt.org/page/406.html>. Questions regarding the Master Plan should be directed to:

Gwendolyn Hallsmith, Director
Department of Planning and Community Development
City Hall
39 Main Street
Montpelier, VT 05602

88: RFP item 1)f)vi)2) states the typical customer installation will allow for a design temperature change in the district heating hot water of 65 degrees F. With a 200 degree F maximum district heating hot water temperature, 135 degree leaving hot water does not seem probable. For a 135 degree leaving water temperature the entering customer hot water temperature must be lower than 135 degrees F. While certain space heating equipment types deliver this temperature return hot water, the majority of existing, installed equipment does not. Please confirm the direction to base the project on a 65 degree F district heating hot water temperature change.

1)f)vi)2 should be read in two parts. The first sentence provides the standard that the respondent is responsible for designing the system to meet the RFP specifications. Items (1) and (2) which follow are provided as general guidance. Note the introductory language "in general" and "typically". Respondents should base their proposal on a design that they believe will meet the performance specification of the RFP and document such.

89: RFP item 1)f)vii discusses "network losses." Please define network losses.

Net losses are the aggregate losses over the hot water district energy distribution system; that is the difference between the energy provided to the distribution system versus the energy consumed by end users.

90: RFP item 1)f)vii provides a maximum value for network losses (10%). Please define the value the 10% is part of.

The 10% would of the total energy provided to the hot water energy distribution system.

91: RFP item 1)f)xi)3)a requires an energy meter. Is there a specification on the required accuracy and repeatability of the meters at customer connections?

A specific standard is not provided within the RFP. Bidders should select equipment that meets all applicable requirements for the public sale of energy as a commodity. Bidders should document their choice and be prepared to defend their selection for any and all equipment.

92: RFP item 1)f)xi)3)d) states the customer interface heat exchanger system will be "based on a hot water tank." Please clarify. Is the intent to provide a tank inside the customer's building? What purpose will this tank serve in space heating? We believe domestic hot water production and equipment is covered in RFP item 1)f)xi)5.

The Questioner correctly points out that there is redundancy between subsection (3)(d) and subsection (5) however there is not inconsistency. Subsection (3)(d) addresses the Consumer Interface which may address domestic hot water in some fully integrated systems, whereas subsection (5) is specific to domestic hot water. Both subsections provide an alternative analysis to ensure not inconstancies.

93: Will the City supply to bidders documentation of the extent, location and schedule of the City's State Street or other paving plans in areas that will match the pipe runs shown in the RFP?

No. The only known project at this time is the planned repaving of State Street by the Vermont Agency of Transportation. The work is generally planned for the 2011 construction season. The state contact for this project is Michael J Fowler, PE, Pavement Management Engineer, VTrans – Highway Safety & Design, Pavement Management Unit, 1 National Life Drive, Montpelier, VT 05633-5001. He should be contacted for project details.

94: Please provide specifications for the existing central plant oil-fired steam boiler that is expected to be re-used (capacity, steam pressure, etc.). Is this boiler rated to operate at 400 psi?

Among the equipment of the existing heat plant is 400 BHP #6 oil fired boiler that was installed in 2005. It is an option available to the bidder to evaluate the re-use of this boiler in their proposal. Bidder assume to the responsibility to determine the viability of this option.

Confirmation of the boiler's pressure rating has been requested and will be posted when received.

95: The RFP calls for “a fully automatic fuel storage unloading system.” Does this mean that an on-site fuel storage facility that requires daily use by plant staff of a front-end loader to manage the fuel pile is unacceptable?

Yes

96: Will distribution system design temperatures above 200 deg. F., using the specified type of pipe, be acceptable if the bidder can show a benefit to doing so?

Bidders may propose alternative systems if it can be documented that the proposed system will meet all the goals and criteria while providing greater attributes to the owner/operator. It needs to be demonstrated that the goals and criteria of performance are met and the greater attributes documented.

97: Under Vermont law are European certified boilers or other pressure vessels allowed if they do not have ASME rating?

Act 86 of the 2009-2010 Legislative Session (adjourned) provided rule making authority to the Vermont Department of Public Safety to consider boiler certification by the Canadian Standards Association, the European Committee for Standardization as well as the American Society of Mechanical Engineers. Any questions regarding the acceptability of boilers for operation in the state of Vermont should be directed to the Fire Safety Division of the Vermont Department of Public Safety (<http://www.dps.state.vt.us/fire/>). The Commissioner may grant a variance approving a different solution to compliance that meets the intent of this code, or may exempt a portion of a building, or equipment including non-standard boilers and pressure vessels, from the requirements of this Code. The engineer of record and/or the boiler vendor would need to get a variance. This would be the responsibility of the Contractor not Montpelier.

98: The City should give a unit cost fuel for all bidders to use; allowing an easier comparison between proposals.

The Questioner is correct that all responders using a consistent unit cost of energy would enable an easier comparison among proposals.

To that end all respondents shall base any and all analyses on the following energy unit costs:

No. 6 Fuel Oil: \$2.50/gallon
Whole Tree Wood Chips: \$50/green ton

If other fuels are proposed, the cost of those fuels and the energy characteristics need to be clearly identified and all calculations using this information be presented in a way that would easy comparison to all other proposals received.

99: Will the City's current ordinance allow for design-build procurement process?

The City's procurement procedures are not in ordinance, but rather policy. Adopted policies allow for design-build procurement using the process which this Request For Proposals has followed.

100: Will the City's attorney prepare the 248 application?

The services identified in the RFP include the designing, permitting and constructing the energy center and heat distribution system. Therefore the responsibility for preparing and obtaining required permits will be with the successful bidder. The City reserves the right to review all permit applications and technical support documents prior to their submission to the permitting entity and to decide its level of involvement in those processes. Further, the City may retain additional technical and legal services in reviewing materials prepared to obtain requisite permits and approvals.

101: Will the City retain a 3rd party commissioning agent?

Yes, it should be expected that the City will retain an independent 3rd party commissioning agent.

102: What is the expiration date for the ARRA funds?

The grant received by the City from the Department of Energy (DOE) is funded from the authority of the American Recovery and Re-investment Act, of 2009, Pub. L. 111-5 (ARRA). Under the Terms and Agreement of the received grant, the period of performance has an outside date of January 30, 2013.

103: A questioner inquired how best to present information regarding project management costs. Management costs being such costs as salaries for the general contractor's (or construction manager's) project manager, superintendent, safety officer, and other administrative staff; and staff support items such as the construction office trailer(s) including its office equipment (e.g., computers, copiers), furniture, duplication costs, and communication and data costs; among others. The staff's duties include assuring the safety of the public and construction personnel, processing paperwork (e.g., schedule development and revision, processing purchase orders and subcontracts, maintenance of as-built drawings, shop drawing submittal, logging requests for information, and meeting with City's personnel and other team members), and of course supervising the construction itself to assure work is installed in accordance with the specifications, provide quality control, and assure schedule milestones are met. The question being should these costs be distributed to the major elements of the project or all assigned to one element of the project?

Neither. To ensure bidders present their response comparably, all management costs are to be presented separately as a cost item for the entire project. Additionally, bidders should clearly

present their Return on Investment (ROI) that they have built their proposal upon. ROI information will be held as confidential business information.