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# Request for Proposals

**Issue Date:** 3/6/2024

**Project Name:** Chapel Hill-Carrboro City School System - Solar PV Lease

**Agent:** Model Energy, PLLC

**Description of Work:**

Chapel Hill-Carrboro City School System (CHCCSS) seeks proposals from qualified solar energy lessors to install, own, operate, and maintain four rooftop solar photovoltaic system on Chapel Hill High School, East Chapel Hill High, Morris Grove Elementary and Northside Elementary; and to enter into a lease agreement of the system and its electrical output per solar lease agreement authorized in North Carolina Session Law 2017-192 (House Bill 589).

Model Energy, PLLC, a licensed engineering and consulting firm specializing in solar PV design for commercial properties has been engaged by CHCCSS to manage and facilitate the RPF process up to the point of lessor selection. The lessor awarded the contract will have been selected solely by a CHCCSS representative.

To be selected, a firm must be [approved by the North Carolina Utilities Commission](#) as an Electric Generation Lessor.

**Proposal and Desired Project Schedule:**

Issuance of RFP	3/6/2024
<b>Proposal Due Date</b>	<b>3/21/2024 - 5:00pm</b>
Select Firm and Begin Negotiations	3/26/2024

**Proposal Documents:**

The full Request for Proposals (RFP) documents are posted on the Model Energy, PLLC online share available upon request and is the only *official source* of this solicitation. All updates to this solicitation shall come in the form of published addenda and shall be published at the same location. Model Energy, PLLC will not be responsible for full or partial sets of Contract Documents, including any addendum obtained from any other source.

Proposals should likewise be submitted at secure online share as designated and provided by Model Energy, PLLC.

## Chapel Hill-Carrboro City School System – Solar PV Leasing Project

### Information:

All questions concerning this Request for Proposal (RFP) should be submitted via email to:

Tina Dow

Director of Operations

[tina@modelenergy.com](mailto:tina@modelenergy.com)

**Subject Line:** “\*PROPOSAL\* - *Proposer’s Name* – CHCCSS Solar PV Project”

### CHCCSS Business Inclusion Policy:

CHCCSS has adopted a Business Inclusion Policy to encourage women and minority businesses' participation in the public bidding process. The purpose of this outreach effort is to increase the likelihood of availability and utilization of MWBEs in the award of contracts. Bidders are hereby notified that this quote/Bid/RFP/RFQ is subject to that Policy's provisions. Questions regarding CHCCSS Business Inclusion Policy may be directed to <insert link>

It is the Policy of CHCCSS to (1) provide minorities and women an equal opportunity to participate in all aspects of its contracting and procurement programs and (2) to prohibit all discrimination against persons or businesses in pursuit of these opportunities.

### Certification of a Drug-Free Workplace:

Prospective Contractors are notified that CHCCSS has adopted a Drug-Free Workplace Policy requiring successful contractors to insure that a drug-free workplace is provided in the performance of any CHCCSS contract. By submitting a proposal, the Prospective Contractor certifies that if awarded the Contract, they and their subcontractors shall comply with CHCCSS's Drug-Free Workplace Policy. The policy may be viewed at the following: <insert link>

**Miscellaneous Requirements and Conditions:**

- Lease execution, progress payments and equipment procurement can happen prior to execution of the installation. These details can be negotiated at time of contract.
- Assumed schedule likely to require summer months while schools are not in session. Scheduling can be negotiated at time of contract.
- Current utility interconnections approved with current deadline of August 31, 2024.
- CHCCSS will review proposals for their responsiveness to the RFP against the evaluation criteria described in section IV. Proposers may be required to submit additional or supplemental information to CHCCSS, if necessary, for CHCCSS to determine whether the Proposer(s) meet all of the standards outlined.

CHCCSS reserves the right to cancel the Request for Proposals at any time, reject any or all responses, and waive informalities if it determines, in its sole discretion, that such cancellation, rejection, or waiver is in the best interest of CHCCSS.

**I. Introduction**

**CHCCSS** seeks proposals from qualified solar energy lessors to install, own, operate, and maintain four rooftop solar photovoltaic systems on CHCCSS property, and to enter into a lease agreement of the systems and their electrical output per solar lease agreement authorized in North Carolina Session Law 2017-192 (House Bill 589). The four properties to be included are the following schools: Chapel Hill High School, East Chapel Hill High, Morris Grove Elementary and Northside Elementary.

To be selected, a firm must be approved by the North Carolina Utilities Commission as an Electric Generation Lessor.

**II. Background**

CHCCSS is a public education entity of North Carolina that continues to be a leader in innovative technologies and conservation efforts in response to global climate change. Clean energy is one of the top priorities when preserving our high quality of life. CHCCSS is a top-ranked public school system in North Carolina that continues to be a leader in innovative technologies and conservation efforts in response to global climate change, pursuing carbon/energy reduction and renewable energy improvements for campus operations.

**III. Scope of Services**

CHCCSS seeks to enter into a solar leasing agreement with a certified Electric Generation Lessor as defined in North Carolina Utilities Commission Rule R8-73, which governs the process by which applicants can apply and become certified as electric generator lessors in the State of North Carolina.

CHCCSS has identified the following locations for the installation of a leased solar photovoltaic systems: Chapel Hill High School, East Chapel Hill High, Morris Grove Elementary and Northside Elementary\*.

**1. Rooftop of CHCCSS Chapel Hill High School**

- Location: 9217 Seawell School Road, BLDGA, Chapel Hill, NC 27516
- Nearest Electric Meter: Onsite
  - Electric Utility: Duke Energy Progress
  - Rate Tariff: SGS-TOU
  - Contract Demand: 125 kW
- Roof surface composed of Mod-Bit or TPO Membrane
- Approximate rooftop area designated for array: 11,809 square feet
- (Considerations will need to be made for existing rooftop expansion joints, vents, lightning protection, antenna, code required setbacks, and other accessories)

**2. Rooftop of CHCCSS East Chapel Hill High**

- Location: 500 Weaver Dairy Road, Chapel Hill, NC 27514
- Nearest Electric Meter: Onsite
  - Electric Utility: Duke Energy Progress
  - Rate Tariff: SGS-TOU
  - Contract Demand: 125 kW
- Roof surface composed of Mod-Bit
- Approximate rooftop area designated for array: 11,809 square feet
- (Considerations will need to be made for existing rooftop expansion joints, vents, lightning protection, antenna, code required setbacks, and other accessories)

**3. Rooftop of CHCCSS Morris Grove Elementary**

- Location: 215 Eubanks Road, Chapel Hill, NC 27516
- Nearest Electric Meter: Onsite
  - Electric Utility: Duke Energy Progress
  - Rate Tariff: SGS-TOU
  - Contract Demand: 125 DC kW Import
- Roof surface composed of standing metal seam
- Approximate rooftop area designated for array: 12,817 square feet
- (Considerations will need to be made for existing rooftop expansion joints, vents, lightning protection, antenna, code required setbacks, and other accessories)

**4. Rooftop of CHCCSS Northside Elementary**

- Location: 350 Caldwell EXT, Chapel Hill, NC 27516
- Nearest Electric Meter: Onsite
  - Electric Utility: Duke Energy Progress
  - Rate Tariff: SGS-TOU
  - Contract Demand: 125 kW
- Roof surface composed of standing metal seam
- Approximate rooftop area designated for array: 12,551 square feet
- (Considerations will need to be made for existing rooftop expansion joints, vents, lightning protection, antenna, code required setbacks, and other accessories)

\*Roof warranty considerations will need to be revisited and confirmed during contract negotiation.

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The selected firm must provide professional site analysis, planning, financing, design, engineering, permitting, contract development, construction management, operation, and maintenance services as part of the agreement. In addition, the selected firm will assume the interconnection process with Duke Energy Progress and the permitting process with CHCCSS's designed Department. The selected firm will assist CHCCSS in public engagement activities. The selected firm will retain title to the solar energy system and will be granted access to maintain the system on CHCCSS property for the term of the lease. The selected firm shall perform all duties in a safe and environmentally sound manner compliant with all federal, state, and local laws and regulations.

It is anticipated that CHCCSS will make lease payments to the selected firm, and the energy generated will be credited to CHCCSS through a net-metering agreement with Duke Energy Progress. In addition, CHCCSS is interested in structuring the agreement, to utilize the NC Solar Rebate Program offered by Duke Energy Progress to non-profits for incorporation into the up-front costs and/or into the lease payments.

CHCCSS will provide detailed permit sets with full electrical and structural guidance for each of the schools to be used by the installers. Permit sets at time of the RFP process will be considered progress sets. Sealed, 100% complete permit sets will be made available for planning and permitting purposes. CHCCSS will maintain interest in working with the engineering team providing the permit sets, and the selected vendor will also have a direct channel to the engineering team for revisions necessary to address preferred equipment and permitting revisions.

### **IV. Proposal Submission Contents**

Contents of proposals should include:

1. Statement of Interest
2. Firm Qualifications
  - a. Must be approved by North Carolina Utilities Commission as an Electric Generation Lessor
  - b. Reference similarly financed projects in North Carolina and other U.S. States
  - c. Insurance policy to cover property damage or bodily injury associated with the installed system (*See section V. CHCCSS Requirements*)
3. Team Qualifications, CHCCSS and References, including:
  - a. Resumes for team members that will be working on CHCCSS project(s)
  - b. List of Intended Subcontractors (*if any are to be used*) (*This is a good opportunity to identify MWBE participation if applicable.*)
  - c. Current and pending projects for proposed team members during the proposed schedule

## Chapel Hill-Carrboro City School System – Solar PV Leasing Project

- d. References for 2-to-5 similar-sized projects and identification of team members involved
4. High-Level Technical Design of Solar PV System(s)
  - a. Description of the solar facility, including the make and model of the solar energy facility's major components, and a guarantee concerning energy production output that the solar energy facility will provide over the expected life of the agreement
  - b. Identify potential impact of and risks of system design to CHCCSS operations (*i.e. building impact of rooftop solar*)
  - c. Structural considerations for given location/facility and the impacts of the proposed racking solution
  - d. Results from Duke Energy Interconnection Pre-Request Response
5. Individual Financial Plan for the identified location(s) that incorporates the following:
  - a. Up-front costs to CHCCSS
  - b. Ongoing costs to CHCCSS , including lease payment
  - c. Proposed Lease Term(s) (*Proposers Can Offer Multiple Options*)
  - d. Incorporation of a 3% annual discount rate
  - e. Three alternatives of changes in retail energy rates: 5% annual decrease, 5% annual increase, and 2% annual increase
  - f. Identify any state or federal tax incentives that are included in the calculation of the lease payments
  - g. identify any utility provided discount or rebate that are included in the calculation of the up-front costs or ongoing lease payments.
  - h. Total costs under the agreement for Lessor to maintain and operate the solar energy facility over the life of the solar energy facility, including financing, maintenance, and construction cost related to the solar energy facility
6. Scenarios and Considerations for System Purchase Options, including:
  - a. Method by which fair market value will be assessed
  - b. Sell or transfer of warranty or maintenance obligations to a third party
  - c. Any restrictions or considerations regarding the transfer of ownership regarding solar energy facility
7. Overall Project Management Plan, including:
  - a. Project Development Plan
  - b. Anticipated Project Schedule
  - c. Anticipated Supply Chain/Procurement Interruptions
  - d. Operations and Maintenance Plan for Solar PV system
  - e. System Decommissioning Strategy (*in the event that a term-end system purchase option is not pursued*)
8. Contract Exceptions and Statements (see CHCCSS Requirements section below)

9. CHCCSS Business Inclusion (MWBE) Considerations if applicable (See Page 3).

## V. CHCCSS Requirements

- A. Provide a statement of any legal judgments against your firm within the last 5 years associated with project performance or professional liability. Upon request, the Firm shall provide clarification of the judgment.
- B. Any Firm wishing to be considered must be properly registered with the Secretary of State of North Carolina and possess appropriate professional licenses and certifications. The contract will be subject to North Carolina law.
- C. The selected firm must have the financial ability to undertake the work and assume the liability along with an adequate accounting system to identify costs chargeable to the project.
- D. The specific individuals and sub-consultants listed in the proposal and assigned to key positions shall not be removed or replaced without the prior written approval of CHCCSS.
- E. The selected Firm shall be subject to the following terms and conditions:
  1. CHCCSS insurance requirements: The Selected Firm (Firm) shall agree to keep and maintain for the duration of this Agreement including but not limited to commercial general liability, auto liability, professional liability, workers' compensation and employer's liability with at least the minimum limits shown below. Prior to Contract Award, the Firm shall furnish CHCCSS with certificates of insurance for each type of insurance described herein, with CHCCSS listed as Certificate Holder and as an additional insured on the Firm's general liability policy. In the event of bodily injury, property damage, or financial loss caused by the Firm's negligent acts or omissions in connection with Firm's services performed under this Agreement, the Firm's Liability insurance shall be primary with respect to any other insurance which may be available to CHCCSS, regardless of how the "Other Insurance" provisions may read. No work shall be performed until the Contractor has furnished to CHCCSS the above referenced certificates of insurance and associated endorsements, in a form suitable to CHCCSS.

<i>Commercial General Liability:</i>	<i>\$1,000,000 per occurrence</i>
<i>Commercial Auto Liability:</i>	<i>\$1,000,000 combined single limit</i>
<i>Professional Liability:</i>	<i>\$1,000,000 per claim made</i>
<i>Workers' Compensation:</i>	<i>Statutory</i>
<i>Employer's Liability:</i>	<i>\$100,000:</i>

2. Indemnification: CONSULTANT shall indemnify, defend and hold harmless CHCCSS and its subsidiaries, divisions, officers, directors and employees from all liability, loss, costs, claims, damages, expenses,

attorney fees, judgments and awards arising or claimed to have arisen, from any injury caused by, or allegedly caused by, either in whole or in part, any act or omission of the CONSULTANT or any employee, agent or assign of the CONSULTANT. This provision is not applicable to any claim arising out of or related to any active or primary negligence of or by CHCCSS, its officers or employees.

3. Iran Divestment Certification: Selected firm will warrant that, as of the date of submission, I/We are not on the Final Divestment List as created by the State Treasurer pursuant to N.C.G.S. § 147-86.58. In compliance with the requirements of the Iran Divestment Act and N.C. G. S. § 147-86.59, and shall not utilize in the performance of the contract any subcontractor that is identified on the Final Divestment List.
4. E-Verify Employer Compliance: The Selected Firm and their subcontractors with 25 or more employees as defined in Article 2 of Chapter 64 of the NC General Statutes must comply with E-Verify requirements to contract with governmental units. E-Verify is a Federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law. E-verify can be accessed via this link:  
<http://www.uscis.gov/e-verify/employers>
5. DRUG FREE WORK POLICY: CHCCSS is a drug-free workplace employer. CHCCSS has adopted a policy requiring CHCCSS construction and service contractors to provide a drug-free workplace in the performance of any CHCCSS contract. This policy may be viewed at: By submitting a proposal, a prospective primary vendor certifies that it and all sub-vendors will comply with CHCCSS drug-free workplace requirement. A false certification or the failure to comply with the above drug-free workplace requirements during the performance of contract shall be grounds for suspension, termination, or debarment.
6. Ownership of Work Products: CHCCSS shall have exclusive ownership of all intellectual property rights in all designs, plans and specifications, documents and other work product prepared by, for, or under the direction of the selected firm pursuant to any contract under this RFQ (collectively, the "Intellectual Property"), including without limitation the right to copy, use, disclose, distribute, and make derivations of the Intellectual Property for any purpose or to assign such rights to any third

party. The Intellectual Property shall be prepared in CHCCSS's name and shall be the sole and exclusive property of CHCCSS, whether or not the work contemplated therein is performed. CHCCSS will grant the firm a royalty-free, non-exclusive license to use and copy the Intellectual Property to the extent necessary to perform the contract.

#### **VI. Evaluation Criteria**

CHCCSS intends to award a contract based on the best balance of performance and cost. It is not CHCCSS's intention to base its decision solely on financial projections. CHCCSS requires that all aspects of the RFP be addressed. Ultimately, CHCCSS seeks a project that will result in a positive net present value within the life of the system.

**Example Scoring Rubric:** *(Subject to change prior to final selection)*

<b>Criteria</b>	<b>Criteria Description</b>	<b>Score [A]</b>	<b>Weight [B]</b>	<b>Total [C] = [A] x [B]</b>
Firm Qualifications	Demonstrates experience with similar projects (i.e. public entities, project scale, financial scale, etc.)	[0 - 10]	20%	
Project Understanding, Approach, and Schedule	Extent to which proposal can be executed to meet CHCCSS's goals in a timely manner	[0 - 10]	25%	
Team Organization and qualifications	Experience and availability of proposed team	[0 - 10]	15%	
Economic Viability of Proposed Project	Proposed net present value of project for CHCCSS at the end of lease agreement	[0 - 10]	30%	
RFP Responsiveness	Completeness of response to RFP	[0 - 10]	10%	

#### **VII. Appendices and Descriptions:**

- A.** Site map and roof plans for the property referenced with a general outline for the location of a solar PV system.
- B.** Electrical Diagrams submitted for Interconnection with Duke Energy
- C.** Applicable Roof Warranties (do we need this?)
- D.** Historical energy use data for the intended facility(s).