



**COUNTY OF SAN LUIS OBISPO
GENERAL SERVICES AGENCY
GENERAL SERVICES UTILITIES**

**Request for Qualifications / Request for Proposals# 1043
Electricity Grid-Connected Photovoltaic Systems / Power Purchase Agreements
for County Facilities**

August 27, 2009

**Direct Questions to:
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1. INTRODUCTION

1.1. Request for Qualifications

The COUNTY OF SAN LUIS OBISPO (the “County”) requests interested parties that meet the criteria established in this Request for Qualifications (the “Solicitation”) to submit, in accordance with the directions in this Solicitation, Statements of Qualifications (“Qualifications”) for financing up to 1,000 kW CEC-AC of electricity grid-connected photovoltaic systems and associated interconnections (“Solar Systems”).

It is the County’s intent to enter into a power purchase agreement (“PPA”) with a service provider (“Proposer”) to provide financing, development, construction, monitoring and asset management of solar systems, located at sites operated by the County General Services for a 5-25 year term.

1.2. Background Information

The County is located on the Central Coast of California extending from Nipomo in the south to Camp Roberts in the north and from Morro Bay in the west to the Carrizo Plains in the east. The climate varies considerably with both coastal fog and valley heat. The County has significant resources for energy with oil, natural gas, and electrical producers at Morro Bay and Diablo Canyon Power Plants. These resources have depended heavily on fossil fuels and produce significant greenhouse gasses.

Recent legislative and political changes require the County to reduce greenhouse gas emissions to 1990 levels by 2020. In addition, the County Climate Action Plan indicates that additional, diverse, non-polluting sources of electricity are needed. The County plans to develop several sites to use solar photovoltaic sources of electricity over the next three to ten years where it can be determined to be cost competitive with the existing utility rates.

This project is a part of a comprehensive plan to reduce energy use/costs, greenhouse gas emissions, and increased diversity of energy sources. The County continues to also provide improvements to lighting, HVAC, and controls in buildings and facilities throughout the county.

2. ELIGIBILITY REQUIREMENTS

The County will consider a timely Solicitation Response that meets the following minimum requirements.

2.1. Propose

2.1.1. Proof of Project Finance

Proposers shall provide a letter of commitment on the firm's letterhead verifying the source of project equity, debt and construction finance. The letter shall be from the Proposer's CEO, if the Proposer is using internal source of funds or from the Proposers investor if the Proposers is using external sources of project finance.

2.1.2. Finance Information

Eligible Proposers shall have executed three (3) separate PPAs as the lead respondent with California public agencies for at least 500 kW in solar systems that qualified for the California Solar Initiative (CSI) program monetary incentives.

2.1.3. In-house Asset Management

Eligible Proposers shall have an asset management department that shall provide dedicated internal resources for asset management of the solar systems for the term of the agreement.

2.2. California Solar Initiative (CSI) Program

Solar systems shall qualify for the California Solar Initiative (CSI) program monetary incentives for eligible systems up to the first 1,000 kW (1 MW) CEC-AC of generating capacity or displaced grid electric load.

2.3. Eligible Solar Electric Equipment

Solar systems shall use only modules and inverters that qualify for the California Solar Initiative (CSI) program monetary incentives.

2.4. Solar Integration Services

The Proposer or the Proposer's Engineering, Procurement and Construction contractor (the "EPC Contractor") shall have installed and commission at least 500 kW of solar systems including single or dual axis tracking systems.

2.5. Utility Interconnection

The Proposer shall be solely responsible for securing all necessary interconnection services associated with the solar systems, including any necessary regulatory approval(s) for such services.

3. SOLICITATION GOALS AND OBJECTIVES

3.1. Request the Solicitation

Requesting a copy of the Solicitation – Upon request, the County will mail Solicitation to interested vendors. Please contact Debbie Belt at (805) 781-5903

Debbie Belt
1087 Santa Rosa
San Luis Obispo, CA 93408
Or
Email: dbelt@co.slo.ca.us

3.2. Solicitation Goals

The County intends to achieve the following goals and objectives with a Proposer:

- To use roofs, land, parking areas, and other County space to encourage the installation of solar systems. The electricity generated will be purchased by the County under an agreed upon energy sales contract
- To reduce greenhouse gas emissions from County facilities
- Provide support for the Climate Action Plan (CAP)
- Establish a list of qualified solar vendors
- Facilitate the investment in solar industries and businesses in the region and local community
- To increase public awareness of the benefits of solar systems
- Establish a relationship for the development of a PPA at multiple County sites
- Improve the environmental quality of San Luis Obispo County
- To improve reliability of power by reducing risks of dependency upon a single electricity provider

3.3. Solicitation Process

3.3.1. Request for Qualifications

Each respondent to the Solicitation should demonstrate it satisfies the minimum requirements described in section 2. ELIGIBILITY REQUIREMENTS in order to be selected as an eligible Proposer.

3.3.2. Request for Proposal

The review committee will evaluate and rank submittals. Proposers may be ranked in one or more areas of expertise. Based on the review of qualifications, a list of qualified Proposers will be established. Upon establishment of the ranked lists, qualified Proposers will be invited to submit proposals for planned projects. For each planned project, a Scope of Work will be provided to each qualified Proposers. Proposers will be requested to submit a proposal related to the

specific COUNTY project. Based on the COUNTY's review of project specific proposals, interviews of the top qualified Proposers may be held to select a firm for a specific project assignment. The COUNTY reserves the right to select a Proposer from a ranked list without requiring additional proposals to be submitted. The COUNTY reserves the right to reject any or all proposals.

The ranked listing will be used to negotiate the Power Purchase Agreement (PPA). Should the County and Proposer be unable to meet an agreement, the County may choose to terminate the project or go to the next Provider on the ranked listing to negotiate a PPA. This process will be repeated until a successful negotiation is reached or the project terminated.

3.4. Solicitation Schedule

- Deadline for Submitting Solicitation Questions September 4, 2009
- Deadline for Submitting Solicitation September 11, 2009
- Review of Qualifications September 18, 2009
- Team Interviews/Presentations September 23, 2009
- Site Visits for Selected Teams September 30, 2009
- Selected Teams Submit Pricing Models October 9, 2009
- Final Negotiations October 23, 2009
- Notice of Intent November 3, 2009
- Board of Supervisors Approval November 3, 2009
- Contract Award November 3, 2009

3.5. Response Submittal

Responses to this Solicitation must be submitted in writing and signed by an authorized officer of the Proposer. The County must receive six (6) hard copies of the Proposer's Statement of Qualifications package no later than the 5:00 p.m. on September 11, 2009. Responses submitted after this date cannot be accepted, and responses that are incomplete or do not conform to the requirements of this RFQ will not be considered.

Statement of Qualifications shall be submitted to:

**County of San Luis Obispo
Debbie Belt
1087 Santa Rosa
San Luis Obispo, CA 93408**

3.6. Request for Additional Information

Oral communications by unauthorized County employees or outside the conditions of this Solicitation concerning the submittal shall not be binding on the County and shall in no way excuse the competitor of obligations as set forth in the Solicitation.

Inquiries regarding this Solicitation shall be made by mail, fax, or e-mail at the following address no later than September 4, 2009 **at 5:00 PM**:

**County of San Luis Obispo
David Clew, Utilities Project Coordinator
1087 Santa Rosa
San Luis Obispo, CA 93408
Fax: 805-781-5215
Email: dclew@co.slo.ca.us**

Any question related to the Solicitation shall be directed to the COUNTY Utilities Project Coordinator whose name appears above. Any and all

questions must be submitted in writing. Proposers are encouraged to submit written questions via electronic mail or facsimile prior to September 4, 2009. Any correspondence related to the Solicitation should refer to the appropriate page and paragraph number. An envelope containing questions should be identified as such; otherwise it may not be opened until after the official proposal due date and time. Oral interpretations or clarifications will be without legal effect. Only questions answered by a formal written amendment to the Solicitation will be binding.

Site visits for qualified proposers to be held September 30, 2009 at 10:00 AM.

4. SOLICITATION RESPONSE FORMAT AND SELECTION CRITERIA

All materials submitted in response to the Solicitation will become the property of the County, and may at any time subsequent to contract signing be reviewed and evaluated by any person, and may be returned only at the County's options and at the firm's expense. One copy of each proposal shall be retained for official County files and will be a public document.

4.1. Solicitation Response Format

The Proposers response shall include a Qualifications and Technical Element. The Proposers response related to the Qualifications Element shall at a minimum include the Proposer's qualifications, past project examples, references, and personal information. The Proposers response related to the Technical Element shall at a minimum include the developer's specific technical proposals for the identified solar system sites.

With these elements, the County is equipped to select a developer or developers that best meets the County's goals and objectives as outlined in section 3 Solicitation Goals and Objectives.

4.1.1. Qualifications Element

The following items shall be included in the Qualifications Element of the proposal:

4.1.1.1. Binding Transmittal Letter (two pages maximum)

Each proposal shall include a transmittal letter signed by a party authorized to obligate the Proposer (and respective team members) to perform the commitments included in the proposal. If a team of firms is submitting the proposal, then the proposal must clearly identify the lead or prime member of the team. The letter must also identify the contact person for future negotiations with the County, if selected. The letter should discuss the Proposer's overall qualifications and ability to support the County in meeting its goals and objectives, as well as a statement agreeing to comply with all County and other governing body's rules and regulations if awarded the contract. The letter must state a 120 day validity period of the proposal.

4.1.1.2. Qualifications

Proposals must provide information that clearly demonstrates the ability of the Proposer to fully deliver the scope of services outlined in section 5 Scope of Services. Given the magnitude of the PPA program, the County is interested in establishing a relationship with a firm or team of firms that has:

- Demonstrated extensive experience in the successful installation and management of multiple, large commercial or public solar systems,

- Worked with a public entity on a solar system program, and
- Established a local office or project manager (or intends to if selected).

4.1.1.3. Team Information

If a **team** of firms submits the proposal, then the following information shall be supplied:

- Name of the lead or prime firm and the name of the County representative.
- Total generating peak capacity (AC) in kilowatt (MWe) of solar systems placed into commercial operation to date. Identify the project type – turnkey or third-party energy sales.
- Names of other team member firms and the persons from those firms dedicated to this program.
- Roles and responsibilities of each team member, and the relationship between the team members. Include an organization chart.
- A brief description of each team member’s firm and their ability to contribute to successful PPA program implementation (history, performance of similar scope of services, etc)
- History of past projects that the team members have worked on together.

If a **single firm** submits the proposal, then the following information shall be provided:

- Total generating peak capacity (AC) in kilowatts (MWe) of solar systems placed into commercial operation to date. Identify the project type – turnkey or third-party energy sales.
- Name of the County representative and a description of the person’s experience as it applies to the County’s program.
 - Roles and responsibilities of key personnel
 - Organizational chart
 - Identify any subcontractors the Proposer intends to employ in execution of the program. Discuss their role and provide information on subcontractor’s experience performing such work.

4.1.1.4. Personnel Information

Proposals shall include resumes for key personnel involved with the County program, including any subcontractors.

4.1.1.5. Past Project Experience

Proposals shall include a brief description of past PPA projects/programs that are similar in nature to those expected to result from this Solicitation. The description for each project/program should include:

- The project name
- Location
- Project size (total cost and project capacity in kW)
- Project type – turnkey or third party energy sales
- Year completed
- Name of project manager
- Name of client contact
- Brief physical description of the project (equipment manufacturer, model, etc.)
- A brief discussion of any specific challenges and how they were overcome.
- References - Proposals shall include at least three recent (within past five years) references for PPA programs. The information noted above in the Past-Project Experience section should be included and can be used as references. Also provide the customer's contact name, title, address, phone numbers, and email address

4.1.1.6. Market Penetration Support

Discuss your firm's interest in supporting the County's efforts in encouraging investment in solar systems by industries and businesses within the region. Specifically discuss any pricing incentives or other mechanisms your firm is willing to employ to enhance investment in solar energy.

4.1.1.7. Financial Capacity

Proposals shall include audited financial statements for the past three years for the proposer or the lead/prime firm if a team proposal. Proposers shall also demonstrate bonding capacity to accommodate the magnitude of the County's program. Proposers should describe their bonding capacity and name the relevant sureties or insurance companies that serve as your performance bonding agent.

4.1.1.8. Contractual

Compliance with Warranty Requirements

Proposers shall provide a statement indicating commitment to the minimum warranties outlined above in section 5.10 Warranties and Guarantees.

Contracts

Proposers shall provide copies of the firm's standard solar power sales agreement. The County may wish to incorporate certain standard paragraphs into the final agreement following discussions and negotiations with the Proposer.

4.1.1.9. Litigation

Indicate whether the proposer or any team member or any officers or principals have been party to any lawsuit involving the performance of any equipment it has installed, including environmental litigation, and provide a summary of the issues and status of the lawsuits.

4.1.2. Technical Element

The County identified two solar system sites from those evaluated. Energy data and technical information regarding the selected sites can be found in section 8.2 Proposed Sites for Installation. In addition to the information provided, those firms on the shorted list shall have an opportunity to visit before submitting their final pricing proposal on **October 9, 2009, no later than 5:00 PM**. For the second element of the proposal, proposers are asked to submit specific technical proposals that optimize solar system output based on the specific facility's electric load and area available for mounting solar systems. It is the proposer's responsibility to validate the available rooftop area for each facility based on the information provided and the site visits.

4.1.2.1. Technical Description

Proposers shall provide the following technical description of the technologies you propose to install at each specific site:

- Guaranteed power capacity (DC kW), measured at the inverter(s) input
- Guaranteed power capacity (AC kW), measured at the inverter(s) output
- Show normal and de-rated AC kW production, including data assumptions for winter and summer hours of solar generation. Summer on-peak, partial-peak, and winter peak hours must be explained with some detail of assumptions and performance criteria based on seasonal sunlight availability and variable weather conditions.
- Estimated capacity factor (%) and annual output (kWh), and provide the methodology used to develop the estimates.
- Guaranteed solar system panel degradation rate over a twenty year period
- Solar system array materials
- Inverters

- Structural materials
- Balance of system components
- Configuration, including flat-mounted vs. tilt-mounted system
- Structural requirements, including if roof penetration is necessary
- Operation and maintenance requirements including personnel and hours
- Typical projected degradation rates for field installations of this type over a twenty year period
- Typical useful life of significant components, include solar system array and inverters
- Benefits specific to the system proposed
- Any product warranty enhancements being offered
- Other relevant information

4.1.2.2. Monitoring Description

Proposers shall also provide a description of the monitoring system that will be installed at each specific site, including:

- Equipment requirements
- Data output
- Maintenance requirements

Describe how the information needed, as described in Section 5 Scope of Services, will be provided by the proposed monitoring system.

4.1.2.3. Implementation Schedule

Proposers shall provide an implementation schedule for the site-specific projects identified above (for each project and all site specific projects in total).

4.1.2.4. Power Sales Pricing

Proposers shall provide power sales pricing based on:

- A fixed kWh price over the proposed term of the power sales agreement
- A fixed tariff discount identified as a percent (%) discount against the site specific tariff; and
- A price indexed to an established commodity pricing index

Proposers shall complete and submit as a part of their proposal a Pricing Sheet for each solar system site. See section 7.3 for the Pricing Sheet.

4.1.2.5. Site Specific Business Relationship

Proposers shall assume that the solar system site-specific installations will be owned, operated, and maintained by the Proposers for the entire term of the power sales agreement.

Respondents should clearly and concisely outline and explain their proposed business structure to the County. The County will consider contract terms that may include, but are not limited to, floor and ceiling prices, prices indexed to market or tariff rates, short and long term transactions, purchase, trade and/or sale of renewable energy credits, and other provisions that will optimize the financial benefits to the County and ensure availability for the Proposers.

4.2. Selection Criteria

An evaluation committee comprised of County personnel and their consultants will evaluate all proposals.

PROPOSALS WILL BE EVALUATED BASED ON THE FOLLOWING CRITERIA

CRITERION	VALUE
Project Finance Commitment letter	10
Solar PPAs Funded – Most recent 36 Months	10
System Characteristics and Performance Characteristics	20
Financial Model and Savings Calculations	10
Project Schedule and Transaction Costs	10
Jobs Created/Saved	10
Use of Local Contractors	10
Local Government PPA Experience	10
Solar Integration Experience	10

4.3. Special Conditions

- This Solicitation does not commit the County to award a contract, to defray any costs incurred in the preparation of Qualifications pursuant to this Solicitation, or to procure or contract for work.
- All Qualifications submitted in response to this Solicitation become the property of the County and public records, and as such may be subject to public review.
- The County reserves the right to cancel, in part or in its entirety, this Solicitation including but not limited to: selection schedule, submittals date, and submittals requirements. If the County cancels or revises the Solicitation, all potential Proposers will be notified in writing by the County.
- The County reserves the right to request additional information and/or clarifications from any or all Proposers to this Solicitation.
- Release of Public Information – Selection announcements, contract awards, and all data provided by the County shall be protected from public disclosure. Proposer’s desiring to release information to the public, must receive prior written approval from the County.
- The County has established a local vendor preference. All informal and formal Request for Proposals for contracts will be evaluated with a

preference for local vendors. The vendor must claim local vendor preference to be considered. The form is provided within our Request for Proposal packages. Please note the following exceptions:

- Those contracts which State Law or, other law or regulation precludes this local preference.
- Public Works construction projects.
- A "local" vendor will be approved as such when, 1) it conducts business in an office with a physical location within the County; 2) it holds a valid business license issued by the County or a city within the County, and will be asked the name of the Local Agency which issued the license; and 3) business has been conducted in such a manner for not less than six (6) months prior to being able to receive the preference, you will be asked the business address and how many years the business has been at that location.

5. SCOPE OF SERVICES

5.1. General

The County is seeking a firm or team of firms to provide cost-effective solar systems for General Services operated facilities. The County intends to enter into an agreement to purchase the power for up to 25 years at a minimum of two sites.

Initial evaluation of County sites indicates that the best sites for solar systems are the old Government Center & Annex, Social Services buildings in San Luis Obispo, and Juvenile Services building, at Camp San Luis Obispo. This selection is based on opportunity during other planned construction and electrical use (E-19), as well as solar potential and available space.

The scope shall also include, but not limited to securing all permits and approvals from governing agencies, all labor, taxes, services, and equipment necessary to produce fully operational solar systems at the facilities.

The County sees the Proposer owning, operating, maintaining, and responsible for the systems after commissioning. Other, alternate proposals can be taken into consideration, however funding through the County is not an option at this time, except a possible one-time \$50,000 capital contribution. The use of the \$50,000 triggers Federal Requirements of the American Recovery and Reinvestment Act of 2009.

5.2. Design, Engineering and Permitting

The Proposer shall design and engineer the solar systems to maximize solar energy resources at County facilities, taking into consideration the facility's electric power demand and energy use, time of use, available solar resources, applicable zoning, installation costs, and other relevant factors. Documents shall be provided that contain/communicate the following:

- System Description
- Equipment Details & Description

- Layout of Installation
- Layout of Equipment
- Selection of Key Equipment
- Specifications for Equipment Procurement and Installation
- All Engineering Associated with Structural and Mounting Details for Each Site
- Performance of Equipment Components, Subsystems, Specific Site Projects
- Integration of solar systems with Other Power Sources including, but not Limited to the Utility Grid
- Electric Grid Interconnection Requirements including Rule 21 Requirements
- Controls, Monitors, and Instrumentation
- Delta Energy Management System Performance Monitoring or approved equivalent

The Proposer shall submit design documents to the County for review and approval. The plans shall be in an electronic format using AutoCAD 2007 or higher. Specifications shall be submitted in MS Word or PDF formats. Solar systems Inverter and associated equipment shall be located according to the following criteria:

- Ease of Maintenance and Monitoring
- Efficient Operation
- Low Operating Losses
- Secured Location and Hardware
- Compatibility with and access to Existing Facilities

The Proposer shall obtain from governing agencies and utilities, all required rights, permits, approvals, interconnection agreements, and utility histories at no additional cost to the County. The County will be the signatory on applications, permits, and utility agreements only where absolutely necessary.

The Proposer shall be responsible for completing and submitting all documentation required to obtain rebates and incentives.

5.3. Engineering, Procurement and Construction

The Proposer will:

- Prepare contract drawings and specifications or project information suitable for County review, permits, and to allow construction. Preparation of technical materials and equipment specifications shall be the responsibility of the Proposer.
 - Note: All submittals, drawings, and contract documents shall be reviewed and approved in writing by the County. No products shall be brought onto the construction site without the expressed written approval of the County.

- Complete the design for all elements of the project including but not limited to: civil, structural, architectural, mechanical, electrical, and specialty construction areas. Drawings shall be stamped by an Engineer registered in the State of California.
- Evaluate alternative structural and construction approaches for all facilities to ensure economical designs which optimize constructability yet meet all codes, architectural concepts, conceptual design, and standard specifications for the project. Proposer will provide an engineer's report or a list showing alternative structural and construction approaches investigated.
- Incorporate the requirements of permitting agencies as may become apparent during the course of design. The Proposer will apply for and secure all permits and provide all necessary reports, studies and support required to obtain the permits. In addition, the Proposer will research all Air Pollution Control District and noise abatement requirements, along with any hazardous materials management requirements of NFPA, CalOSHA, EPA, CDTs, and the County Fire Department. The Proposer shall develop an air pollution control plan, a noise abatement plan and a hazardous materials management plan. The Proposer shall submit the application for Storm Water Pollution Prevention Plan to the appropriate authority. If required, the Proposer shall incorporate facilities in the design.
- Provide site surveys and geotechnical investigations to the extent necessary for final design. Survey information to be provided to the County will be preliminary in nature.
- Furnish support to the constructability review team (County Furnished) at the 10%, 60%, 90%, and 100% design completion stage. Incorporate results of this review into the design. Each design completion stage should include the following components:
 - The ten percent (10%) design will include a site plan-solar system plan and cross section of the rack or mounting concepts and single line electrical drawings.
 - The sixty percent (60%) design will include equipment information sheets on all major equipment and drawings illustrating any structural work, roof penetrations, foundation details, land profile or topographical maps, electrical conduit runs and equipment layout and electrical mounting drawings.
 - The ninety percent (90%) drawings shall be complete drawings ready for the plan check and the County's Project Coordinator comments.
 - The one-hundred percent (100%) drawing shall include all the documents identified previously in this section, with County General Services written Permit approval.

- Permit fees will be paid by the Proposer. The Proposer is responsible for all permits coordination site inspections, and permit compliance.
- Prepare draft Operations Manual to serve as the basis for preparing the final Operations Manual during the construction phase.
- Provide all submittals in an 11 X 17 inch size format. Provide as-builts on “D” sheet mylar. All submittals shall be on CD and will be CAD 2007 or later version.

5.4. Construction Phase Services

The Proposer shall construct the solar systems in accordance with the County approved plans, specifications and submittals prepared by the Proposer to meet or exceed all requirements of the County. The Proposer shall:

- Conduct weekly meetings, as necessary, to provide schedule, cost estimates, status updates and technical input. The Proposer is responsible to provide meeting notes, in electronic format within three (3) working days from conclusion of the meeting.
- Provide required shop drawings and material data submittals. All shop drawings shall be submitted on “D” sized sheets, with a standard title block for the County. During the review process and when requested, the Proposer will provide “D” sheet drawings reduced to 11 X 17 inch size for review.
- Provide walkthrough and comments as necessary with the County to generate a completion punch list and confirm all items are complete.
- The Proposer shall be responsible for complete management, supervision, and reporting all aspects of the construction of this Project, including but not limited to scheduling and conducting weekly meetings with the County’s Project Coordinator.
- The Proposer shall provide resident engineering and contract administration, and inspection staff, including specialists, necessary for the functional, safe, on-budget and on-schedule completion of the Project, starting with the issuance of Notice to Proceed from the County and extending through issuance of Notice of Completion and acceptance. County staff will perform inspection to verify compliance with the plans and specifications and contract documents.
- The Proposer’s Project Superintendent shall ensure construction compliance with applicable local, state, and federal codes, building and environmental permit requirements, and construction mitigation documents and enforcement of the Contract documents.
- The Proposer shall witness all factory and field component, equipment and system testing as required by the Project Contract documents, County staff will be invited to witness all testing, with a minimum of one (1) week notice.

- The Proposer shall provide the laboratory, surveying, and other contracted services as required to complete project construction inspection and testing tasks for all equipment.
- The Proposer will be responsible for preparing 4 week look-ahead schedule for the duration of the project using Microsoft Project. The four (4) week look-ahead schedules will be updated and presented at the weekly meeting with the County's Project Coordinator.
- The Proposer shall implement and maintain an internal records management and document control system as required, to support project operations.
- The Project will institute a Contractor Controlled Insurance Program. The Proposer will assign a Safety Engineer to monitor and control this program for the Project. The Proposer shall develop an on-site Project Safety Plan for review and approval by the County. The Proposer shall administer and enforce the County approved on-site Project Safety Plan for the Project. The Proposer shall monitor and enforce Project construction and contractor responsibility for safety and health issues relating to their workers at the Project Site. This shall include workers in direct employment to the contractor and workers involved in subcontracting, equipment supply, or any other project related oral or written arrangement with the Proposer.
- The Proposer shall report accidents, claims, and other on-going safety related issues to the County in a manner consistent with County reporting systems.
- The Proposer shall administer and coordinate the project contract closeout process and shall resolve any warranty provision issues. The Proposer shall report progress of project contract closeout to the County in a manner consistent with the County reporting requirements.
- The Proposer shall administer and enforce the Environmental Mitigation Monitoring and Reporting Plan for the Project; if any. The Proposer shall report a record of environmental issues to the County in a manner consistent with County reporting requirements.
- County reporting requirements shall be submission of all reports, and shall be available in Microsoft Suite electronic format, Word, Excel, PowerPoint, Project, and Access. The Proposer shall also provide hard copy, paper documents for meeting. All photos shall be made available in Joint Photographic Experts Group (jpeg) format.

5.5. Installation

The Proposer(s) shall supply all equipment, materials, and labor resources necessary to install the solar systems and integrate them with other power sources.

5.6. Electrical Interconnection

The Proposer(s) shall supply and install all equipment required to interconnect the solar systems to the Pacific Gas & Electric Company distribution system. The Proposer(s) shall fulfill all application, study, and testing procedures to complete the interconnection process. All costs associated with utility interconnection shall be borne by the Proposer(s). The Proposer(s) shall be responsible for compliance with all California Public Utility Commission (CPUC) tariffs and rules as required by the utility company.

5.7. Commissioning and Acceptance Test

During the start-up, the County, and/or its independent engineer, shall observe and verify each system's performance. Required commissioning and acceptance test services include:

- Starting up the solar systems until it achieves the performance requirements of the power sales agreement;
- Conducting the successful delivery of power within thirty days following completion of a system.
- Training COUNTY personnel on emergency operations and maintenance requirements.

5.8. Operation & Maintenance Manuals and As-Built Drawings

Although the Proposer owns, operates, and maintains all systems, the Proposer(s) shall provide five (5) sets of site specific operation, maintenance, and parts manuals for each installed solar systems. The manuals shall cover all components, options, and accessories supplied. They shall include maintenance, trouble-shooting, and safety precautions specific to the supplied equipment at that site. The Proposer(s) shall also supply three sets of as-built drawings in AutoCAD 2007 or higher. These requirements shall be delivered prior to acceptance of the site specific system. The Provider shall provide three (3) sets of as-Built drawings of the commissioned system showing all changes made to the 100% design drawings.

5.9. Monitoring

Monitoring of system performance and providing public education and outreach is a critical element of this Solicitation. The Proposer(s) shall provide a turnkey data acquisition and display system that allows the County to monitor, analyze and display historical and real-time solar electricity generation data for all installed sites. The systems will allow the County to track progress toward the renewable goal for all the systems combined as well as monitor performance against the warranted production requirements on a site by site basis. The regularly collected data should reflect, but not be limited, to the following:

- System performance (Annual Production and peak kW)

- System Availability
- Average of Accumulated Output
- Capacity Factor
- Degradation

The data acquisition system shall be designed for turnkey, remote operation. Data shall be transmitted via Internet or telephone from each site to a server managed by the Proposer(s). Data storage, management and display will be the responsibility of the Proposer(s). The data acquisition system must not require that a dedicated or always on personal computer be located at each site.

As an alternative, the Proposer(s) may elect to provide the data to the County's Delta Energy Management System to meet the above criteria provided there is no additional cost to the County.

Additionally, the data acquisition system shall provide the County the ability to integrate live and historical solar energy information for individual systems as well as for the aggregated performance of all sites into its website(s) and/or public kiosks.

The overall monitoring program and system shall be established by the completion of the first system installed for the County. The cost associated with providing the above reference monitoring and data collection system shall be separately itemized on the attached pricing sheet Section 7.3.

5.10. Warrantees and Guarantees

The Proposer(s) shall provide the following warrantees:

- Any warrantee required to qualify a system for available rebates or incentives, including qualification for Green-e tags and/or Renewable Energy Credits (RECs).
- Five (5) year complete solar system warranty
- Twenty-five(25) year solar module warranty
- Ten (10) year roof and building penetration warranty
- Ten (10) year complete inverter warranty

Proposers shall clearly describe warrantees offered in their proposals.

6. PPA PRICE OFFER, TERMS AND CONDITIONS PRECEDENT

6.1. Project Schedule

- | | |
|--|--------------------|
| • Deadline for Submitting Solicitation Questions | September 4, 2009 |
| • Deadline for Submitting Solicitation | September 11, 2009 |
| • Review of Qualifications | September 18, 2009 |
| • Team Interviews/Presentations | September 23, 2009 |
| • Site Visits for Selected Teams | September 30, 2009 |
| • Selected Teams Submit Pricing Models | October 9, 2009 |

- Final Negotiations October 23, 2009
- Notice of Intent November 3, 2009
- Board of Supervisors Approval November 3, 2009
- Contract Award November 3, 2009
- Construction Starting Date: November 16, 2009
- Commercial Operation: February 16, 2010

6.2. Price to Beat

The County is seeking a PPA starting price and starting escalator that provide energy savings to the County for the term of the agreement. The County has set an aggressive goal to reduce GHG emissions to 1990 levels by 2020. As such, Proposers will provide pricing for the environment attributes associated with the solar systems.

6.3. Power Purchase Agreement

The model chosen is the Power Purchase Agreement where a Proposer/investor designs, constructs, operates and maintains a solar system from which the County agrees to buy the electricity for a period of 5-25 years. Actual prices paid may be higher than utility rates where it can be shown that the value of reduced greenhouse gases, stimulation of jobs and the solar industry, and other benefits exceed the cost difference.

This method is chosen as it removes capital requirements for the County, and does not require County workers to operate and maintain the system. Instead, this work is left to those skilled and experienced with solar systems.

6.3.1. Capital Contribution

A grant proposal has been included in the County's application for Solicitation Number DE-FOA-0000013, "Energy Efficiency and Conservation Block Grants", a formula grant. The intent of the activity is to supplement rates to be negotiated with the PPA. Inclusion of the funding triggers Federal Requirements of the American Recovery and Reinvestment Act of 2010 as described by the referenced Solicitation Number.

Current capital requirements would make solar systems less than cost effective as such systems still costs more than equivalent utility systems to government. Government cannot take advantage of 30% tax credits and accelerated depreciation as we pay no taxes. Private industry can take such advantages which makes the project cost effective. Renewable Energy Credits (RECs) are also available which can be sold on the open market to reduce capital requirements. Only the owners of the RECs can make a claim to producing green power. Solar RECs carry a significant premium value over standard RECs from other sources such as biomass, wind, and geothermal.

Several facilities have had solar reviews and the information is contained in section 7.2 Proposed Sites for Installation. The County takes no responsibility for the accuracy of the information, but provides it as an indication of the feasibility and possible sizing of systems.

6.3.2. Environmental Attributes and Tax Credits

Proposer shall provide the County with an option to own all right, title and interest related to Renewable Energy Certificates as well as any other Environmental Attributes associated with or resulting from the solar systems. At a minimum the Proposer shall specify:

- Assignment/Transfer of Ownership
- Cost of Ownership
- Environmental Attributes Value

6.3.3. SAN LUIS OBISPO COUNTY INSURANCE REQUIREMENTS

Proposers shall detail all insurance requirements that will be procured and maintained for the solar systems on County buildings and lands. At a minimum the Proposer shall describe:

- County Earthquake Insurance Policy
- County Full Coverage Replacement Insurance Policy (Asset Value \$7M)
- Coverage of County Self-Insured deductibles (\$10,000)

Contractor, at its sole cost and expense, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. Such policies shall be maintained for the full term of this Agreement and the related warranty period (if applicable) and shall provide products/completed operations coverage for four (4) years following completion of Contractor's work under this Agreement and acceptance by the County. Any failure to comply with reporting provisions(s) of the policies referred to above shall not affect coverage provided to the County, its officers, employees, volunteers and agents. For purposes of the insurance policies required hereunder, the term "County" shall include officers, employees, volunteers and agents of the County of San Luis Obispo, California, individually or collectively.

1. MINIMUM SCOPE AND LIMITS OF REQUIRED INSURANCE POLICIES

The following policies shall be maintained with insurers authorized to do business in the State of California and shall be issued under forms of policies satisfactory to the County:

a. COMMERCIAL GENERAL LIABILITY INSURANCE POLICY ("CGL")

Policy shall include coverage at least as broad as set forth in Insurance Services Office (herein "ISO") Commercial General Liability coverage. (Occurrence Form CG 0001) with policy limits not less than the following:

\$2,000,000 each occurrence (combined single limit);
\$2,000,000 for personal injury liability;
\$2,000,000 aggregate for products-completed operations; and
\$2,000,000 general aggregate.

The general aggregate limits shall apply separately to Contractor's work under this Agreement.

b. **BUSINESS AUTOMOBILE LIABILITY POLICY ("BAL")**

Policy shall include coverage at least as broad as set forth in Insurance Services Office Business Automobile Liability Coverage, Code 1 "Any Auto" (Form CA 0001). This policy shall include a minimum combined single limit of not less than two-million (\$2,000,000) dollars for each accident, for bodily injury and/or property damage. Such policy shall be applicable to vehicles used in pursuit of any of the activities associated with this Agreement. Contractor shall not provide a Comprehensive Automobile Liability policy which specifically lists scheduled vehicles without the express written consent of County.

c. **WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY ("WC / EL")**

This policy shall include at least the following coverages and policy limits:

1. Workers' Compensation insurance as required by the laws of the laws of the State of California; and
2. Employer's Liability Insurance Coverage B with coverage amount not less than two-million (\$2,000,000) dollars each accident / Bodily Injury (herein "BI"); two-million (\$2,000,000) dollars policy limit BI by disease; and, two-million (\$2,000,000) dollars each employee disease.

d. **PROFESSIONAL LIABILITY INSURANCE POLICY ("PL")**

This policy shall cover damages, liabilities, and costs incurred as a result of Contractor's professional errors and omissions or malpractice. This policy shall include a coverage limit of at least Two-Million Dollars (\$2,000,000) per claim, including the annual aggregate for all claims (such coverage shall apply during the performance of the services under this Agreement and for two (2) years thereafter with respect to incidents which occur during the performance of this Agreement). Contractor shall notify the County if any annual aggregate is eroded by more than seventy-five percent (75%) in any given year.

2. **DEDUCTIBLES AND SELF-INSURANCE RETENTIONS**

Any deductibles and/or self-insured retentions which apply to any of the insurance policies referred to above shall be declared in writing by Contractor

and approved by the County before work is begun pursuant to this Agreement. At the option of the County, Contractor shall either reduce or eliminate such deductibles or self-insured retentions as respect the County, its officers, employees, volunteers and agents, or shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and/or defense expenses.

3. **ENDORSEMENTS**

All of the following clauses and endorsements, or similar provisions, are required to be made a part of insurance policies indicated in parentheses below:

- a. A "Cross Liability", "Severability of Interest" or "Separation of Insureds" clause (CGL & BAL);
- b. The County of San Luis Obispo, its officers, employees, volunteers and agents are hereby added as additional insureds with respect to all liabilities arising out of Contractor's performance of work under this Agreement (CGL & BAL);
- c. If the insurance policy covers an "accident" basis, it must be changed to "occurrence" (CGL & BAL)
- d. This policy shall be considered primary insurance with respect to any other valid and collectible insurance County may possess, including any self-insured retention County may have, and any other insurance County does possess shall be considered excess insurance only and shall not be called upon to contribute to this insurance (CGL, BAL, & PL);
- e. No cancellation or non-renewal of this policy, or reduction of coverage afforded under the policy, shall be effective until written notice has been given at least thirty (30) days prior to the effective date of such reduction or cancellation to County at the address set forth below (CGL, BAL, WC /EL & PL);
- f. Contractor and its insurers shall agree to waive all rights of subrogation against the County, its officers, employees, volunteers and agents for any loss arising under this Agreement (CGL); and
- g. Deductibles and self-insured retentions must be declared (All Policies).

4. **ABSENCE OF INSURANCE COVERAGE**

County may direct Contractor to immediately cease all activities with respect to this Agreement if it determines that Contractor fails to carry, in full force and effect, all insurance policies with coverages at or above the limits specified in this Agreement. Any delays or expense caused due to stopping of work and change of insurance shall be considered Contractor's delay and expense. At the County's discretion, under conditions of lapse, the County may purchase appropriate insurance and charge all costs related to such policy to Contractor.

5. PROOF OF INSURANCE COVERAGE AND COVERAGE VERIFICATION

Prior to commencement of work under this Agreement, and annually thereafter for the term of this Agreement, Contractor, or each of Contractor's insurance brokers or companies, shall provide County a current copy of a Certificate of Insurance, on an Accord or similar form, which includes complete policy coverage verification, as evidence of the stipulated coverages. All of the insurance companies providing insurance for Contractor shall have, and provide evidence of, a Best Rating Service rate of A VI or above. The Certificate of Insurance and coverage verification and all other notices related to cancellation or non-renewal shall be mailed to:

Pamela Mitchell
Liability Analyst
County Government Center, Room D250
San Luis Obispo, CA 93408

6.3.4. Buy-Out Schedule

Proposer shall provide the County an option to purchase the solar systems after the Commercial Operation Date or upon the Expiration Date. Proposers shall explain the method of assessing the solar systems Fair Market Value or Buyout Price. At a minimum the Proposer shall describe:

- Buy-Out Terms
- Fair Market Price
- Independent Appraisal

6.3.5. Taxes

Proposers shall identify any and all potential tax consequences related to State and Local Taxes on Energy Sales and Property Taxes

6.3.6. Asset Management

Proposer shall describe how solar systems will be operated and maintained in a manner that is in accordance solar electric industry best practices and professional standards.

6.3.7. Removal

Proposers should clearly and concisely outline and explain their proposed terms, conditions approach related to system removal upon the event of termination or any other event requiring the removal of the system. The Proposer shall detail the procedure to restore the roofing system and shall specify all remedies and cost to the County to restore to a condition substantially similar to the pre-installation condition subject to ordinary wear and tear.

6.4. Site Lease Agreement

The County shall agree to provide the Proposer with right to certain easements in order to develop, install, own and operate a solar system, utility interconnections and any and all related equipment. The Proposer shall fully describe the

substantive terms and conditions related to the site lease agreement including but not limited to the easement, access to easement area, term, insurance, taxes and solar system installation, operation and ownership. Proposer specifically describe terms related to system removal, 24/7 access for emergency, operation and maintenance activities, and terms related to theft and vandalism.

- County grants Proposer access to the Site for construction, commissioning, for operation and maintenance, and emergencies;
- County will provide security for the solar system;
- Site Lease will run with the terms of the PPA;

Proposer must have 24/7 access for operation and maintenance activities;

6.5. Roofing/Soil/Structural

The County anticipates that Proposer may make investments in studies, analysis and professional services that are at risk for recovery. The County is seeking a Proposer to invest in project development with absolutely no at-risk out-of-pocket investment required by the County. The County intends to support the selected proposer with commitments of facilities, cooperation and in-kind resources necessary to support the project development effort.

- Soil Reports
- Roof Report
- Structural Reports

7. EXHIBITS

7.1. Energy data

Energy data is available in a separate document titled “Load Aggregation 2008-09 FY”

7.2. Proposed sites for installation

- San Luis Obispo Airport
 - Proposed 180 kW array on terminal rooftop and/or parking lot currently under Design
- Juvenile Services Center
 - Proposed 170 kW array on rooftops and/or ground mount
- Government Center Complex
 - Consists of five buildings served by a central plant (single meter)
 - Significant roof area available
- Social Services Building
 - Three story building with roof space
 - Windy area
- Other – The County currently has over 300 active electric accounts at 164 sites.

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7.3. Pricing Proposal

**Pricing Sheets
County of San Luis Obispo**

Proposers are to prepare one pricing sheet for each site

Site: _____

Briefly describe the system:

Narrative: Please provide a narrative description of your proposed prices over the 20 year term. Bidder shall indicate if prices are fixed, and, if not, what factors will influence the price. The cost associated with the monitoring and data collection system noted in section 5.9 shall be shown here.

20 year Bid Price:

Form of Price Offered	Price or Discount Offered
Price Format #1 (discount from utility bill)	_____ % discount
Price Format #2 (escalation formula) Base Year price/kWh Annual Escalation Factor (if applicable)	_____ _____
Price Format #3 Base Period Price/kWh Step Increase Schedule (if applicable) Formula for Escalation	_____ _____ _____

State the specific index to be used for any escalation factor (e.g.CPI, PPI, California Inflation, etc.):

Optional: Multi-site Price Discount for All Sites Listed in Pricing Proposal

Identify a discount either as a percentage of the base bid, or as specified cent per kWh value: _____

This discount shall apply uniformly to all sites listed in Exhibit B.

The undersigned Offers the Following Performance Guarantee:

Expected Performance Output: The quantity of power that bidder commits to deliver each year to this site is: _____(state first year quantity) with a _____% annual degradation factor.

Bidder guarantees a minimum output performance from the solar system each calendar year, at a minimum level equal to 90% of the expected performance output. This production guarantee is based on the bidder's best estimate of the solar irradiance available at the host site. Penalty for failure to meet this level will be payment to the County of 1.5 times the expected savings missed, up to 90% guarantee level.

Signed: _____

Date: _____

Name of Individual (print): _____

Title: _____

Name of Bidder: _____

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7.4. Locally Preferred Contracting Program

The County of San Luis Obispo has established a local vendor preference. All informal and formal Request for Proposals for contracts will be evaluated with a preference for local vendors. Note the following exceptions:

1. Those contracts which State Law or, other law or regulation precludes this local preference.
2. Public works construction projects.

A "local" vendor will be approved as such when, 1) It conducts business in an office with a physical location within the County of San Luis Obispo; 2) It holds a valid business license issued by the County or a city within the County; and 3) Business has been conducted in such a manner for not less than six (6) months prior to being able to receive the preference.

As of March 3, 1994 individual County Buyers evaluate RFP's (Request for Proposals) considering the local vendor preference described above. The burden of proof will lie with proposers relative to verification of "local" vendor preference. Should any questions arise, please contact a buyer at (805) 781-5200. All prospective proposers are encouraged to quote the lowest prices at which you can furnish the items or services listed in County proposals.

	YES	NO
Do you claim local vendor preference?		
Do you conduct business in an office with a physical location within the County of San Luis Obispo?		
Business Address:		
Years at this Address: _____		
Does your business hold a valid business license issued by the County or a City within the County?		
Name of Local Agency which issued license: _____		
Business Name:		
Authorized Individual: _____ Title: _____		
Signature: _____ Dated: _____		

PROPOSAL SUBMITTAL AND SELECTION

1. All proposals, consisting of 6 (*six*), copies must be received by mail, recognized carrier, or hand delivered no later than 5:00 p.m. on September 11, 2009. Late proposals will not be considered.
2. All correspondence should be directed to:

San Luis Obispo County
General Services Agency
1087 Santa Rosa Street
San Luis Obispo, CA 93408
ATTENTION: Debbie Belt
Telephone: (805) 781-5903
3. Costs of preparation of proposals will be borne by the proposer.
4. It is preferred that all proposals be submitted on recycled paper, printed on two sides.
5. Selection of qualified proposers will be by an approved County procedure for awarding professional contracts.
6. This request does not constitute an offer of employment or to contract for services.
7. The County reserves the option to reject any or all proposals, wholly or in part, received by reason of this request.
8. The County reserves the option to retain all proposals, whether selected or rejected.
9. All proposals shall remain firm for *one hundred twenty* (120) days following closing date for receipt of proposals.
10. The County reserves the right to award the contract to the firm who presents the proposal which in the judgment of the County, best accomplishes the desired results, and shall include, but not be limited to a consideration of the professional service fee.
11. Selection will be made on the basis of the proposals as submitted. The Selection Committee may deem it necessary to interview applicants. The County retains the right to interview applicants as part of the selection process.
12. The proceedings of the Selection Committee are confidential. Members of the Selection Committee are not to be contacted by the proposers.

PROPOSAL FORMAT

A qualifying proposal must address all of the following points:

1. Project Title
2. Applicant or Firm Name
3. Firm Qualifications
 - a. Type of organization, size, professional registration and affiliations.
 - b. Names and qualifications of personnel to be assigned to this project.
 - c. Outline of recent projects completed that are directly related to this project. Consultant is required to demonstrate specific design and project expertise relating to the Project Scope.
 - d. Qualifications of consultants, subcontractors, or joint venture firm, if appropriate.
 - e. Client references from recent related projects, including name, address and phone number of individual to contact for referral.
4. Understanding of and Approach to the Project
 - a. Summary of approach to be taken.
 - b. Description of the organization and staffing to be used for the project.
 - c. Indication of information and participation the proposer will require from County staff.
 - d. Indication of time frame necessary to complete the plan review once a Notice to Proceed is issued.
5. Fees and Insurance
 - a. Propose total fixed fees to complete project as described under Project Scope.
 - b. The selected Consultant will be required to provide insurance coverage in the amount of \$2,000,000 Liability Insurance and \$2,000,000 Professional Liability Insurance. This amount of insurance coverage shall be reflected in your estimated professional fee.
 - c. The Consultant shall provide within five (5) days after the Notice of Award is issued a certificate of liability insurance naming the County of San Luis Obispo and its employees and officers as additionally named insured. This shall be maintained in full force and effect for the duration of the contract and must be in an amount

and format satisfactory to the County.

- d. To the fullest extent permitted by law, Consultant shall defend, indemnify and hold harmless the County, its officers and employees from all claims, demands, damages, costs, expenses, judgments, attorney fees, or other losses that may be asserted by any person or entity, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant and/or its agents, employees or sub-consultants. The obligation to indemnity shall be effective and shall extend to all such claims or losses in their entirety. However, this indemnity will not extend to any claims or losses arising out of the sole negligence or willful misconduct of the County, its officers and employees.