REQUEST FOR QUALIFICATIONS NO. 20-15M

FOR

Potential Concession of Energy and Utility Systems

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Date Issued: November 6, 2019

Submissions Due: December 18, 2019
THE UNIVERSITY OF IDAHO REQUEST FOR QUALIFICATIONS NO. 20-15M

SUBMISSION RESPONSE CERTIFICATION

______________________________________
DATE

The undersigned, as Respondent, declares that they have read the Request for Qualifications, and that the following response is submitted on the basis that the undersigned, the company, and its employees or agents, shall meet, or agree to, all specifications contained therein. It is further acknowledged that addenda numbers _____ to _____ have been received and were examined as part of the RFQ document.

Name

______________________________________
Signature

______________________________________
Title

______________________________________
Company

______________________________________
Street Address

______________________________________
City, State, Zip

______________________________________
Telephone Number

______________________________________
Cell Phone Number

______________________________________
E-mail Address

______________________________________
State of Incorporation

______________________________________
Tax ID Number

Business Classification Type (Please check mark if applicable):

Minority Business Enterprise (MBE)    
Women Owned Business Enterprise (WBE)    
Small Business Enterprise (SBE)    
Veteran Business Enterprise (VBE)    
Disadvantaged Business Enterprise (DBE)
SECTION 1 - INSTRUCTIONS TO RESPONDENTS

1-1 OVERVIEW

INTRODUCTION TO THE UNIVERSITY

The University of Idaho (“the University” or “U of I”) is exploring the potential of entering into a public-private partnership (“P3”) with a qualified private entity (“Respondent” or “Concessionaire”) to manage and operate the University’s on-campus utility systems. The University desires to have the Concessionaire make an upfront payment to U of I to support strategic initiatives, provide operations and management expertise, and develop/implement creative solutions for on-campus utility system enhancements.

The University of Idaho, home of the Vandals, is a public, land-grant and national research institution located in Moscow, Idaho with facilities and programs in 42 of the 44 counties in the state. From the University’s opening in 1892, it now boasts enrollment of nearly 12,000 students from all 50 states and 73 countries. The University of Idaho offers more than 300 academic programs including majors, minors, and certificates where undergraduates and graduates can practice interdisciplinary research, provide services to businesses and communities, and bring value to the broader community. Students are provided with more than $111 million in annual institutional aid, including scholarships such as the “Go Idaho! Program” which helps students work toward their desired careers. As the first and largest research university in the state, the University of Idaho spends over $110 million annually on research. Sixty-six percent of undergraduate students participate in research at U of I, and the University was ranked as the 6th best institution in the nation for energy and sustainability by AASHE1. It is the lead university in the Idaho Space Grant Consortium, enabling students to engage with NASA on STEM-related endeavors. In 2019, the University of Idaho had a total endowment of $290 million. The University currently has credit ratings of Aa3 and A+ from Moody’s and Standard & Poor’s, respectively.

For over 80 years, the University of Idaho Experimental Forest has provided a working forest classroom in which students can work and learn. The management units, natural areas, and outdoor classrooms provide the connection to field-based education, faculty and graduate research. The College of Natural Resources, ranked number one for best value by College Factual2, conducts public outreach workshops and field tours that help to support and fulfill the land-grant mission of the University of Idaho: research, teaching, and service.

MISSION

The University of Idaho will shape the future through innovative thinking, community engagement and transformative education.

The University of Idaho is the state’s land-grant research university. From this distinctive origin and identity, we will enhance the scientific, economic, social, legal and cultural assets of our state and develop solutions for complex problems facing our society. We will continue to deliver focused excellence in teaching, research, outreach and engagement in a collaborative environment at our residential main campus in Moscow, regional centers, extension offices and research facilities across Idaho. Consistent with the land-grant ideal, we will ensure that our outreach activities serve the state and strengthen our teaching, scholarly and creative capacities statewide.

Our educational offerings will transform the lives of our students through engaged learning and self-reflection. Our teaching and learning will include undergraduate, graduate, professional and continuing education offered through face-to-face instruction, technology-enabled delivery and hands-on experience. Our educational programs will strive for excellence and will be enriched by the knowledge, collaboration, diversity and creativity of our faculty, students and staff.

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2 https://www.collegefactual.com/majors/natural-resources-conservation/rankings/best-value/
VISION

The University of Idaho will expand the institution’s intellectual and economic impact and make higher education relevant and accessible to qualified students of all backgrounds.

Exceptional research universities such as the University of Idaho prepare their students not just with today's knowledge but also with the ability to discover new knowledge, solve novel problems, lead and construct the future. We educate students at the undergraduate, graduate, and professional levels to meet the needs of Idaho and the world. We improve lives by creating knowledge and impact through our research, scholarship and creative activity.

As Idaho’s land-grant university, U of I will maintain its current leadership in research and engagement with Idaho communities. Putting new knowledge into action requires persistent growth in creating and executing ideas that matter. We will continue to provide leading graduate and professional education including enhanced production of doctoral, masters and professional degrees. The University of Idaho will become a Carnegie R1 (Highest Research Activity) institution known for excellence in our areas of strength and recognized for interdisciplinary research. U of I will serve any qualified student by providing access to the unique educational experience that a research university affords. The University will enroll a mix of resident and nonresident (including international) students at the graduate and undergraduate levels. Our resident students will represent a cross-section of Idaho in ethnic, socioeconomic and demographic terms. Education at U of I is not simply the transmission of knowledge but is also the preparation for students to become problem solvers and lifelong learners; we must augment discipline-specific learning with a strong foundation in the liberal arts.

The University will excel in student success as measured by the transformative educational experience and the achievement of student learning outcomes; and by readily quantifiable measures such as high retention and graduation rates, employment/career outcomes for students, other measures of student engagement and learning to include the National Survey of Student Engagement (NSSE) and internal measures. The University will engage and lead across the state in an effort to help Idaho achieve its goal of 60 percent postsecondary education attainment. To achieve this goal, U of I undergraduate enrollment and graduates will increase 50 percent over current levels. The University will be a purpose-driven organization, a vibrant intellectual community that attracts, retains and develops great faculty and staff. We will achieve this outcome by using our existing resources effectively, generating additional resources and improving our physical and professional environment.

VALUES AND PRINCIPLES

1. **Excellence** - individual commitment to excellence is central to the values we promote. We value the purposeful pursuit of knowledge that improves our communities and prepares us for a lifetime of service. We believe in a culture of leadership and promotion of excellence that passionately educates those seeking knowledge and celebrates success when that knowledge is applied to address societal challenges.

2. **Respect** - central to our productivity and morale is a climate that is considerate and respectful. The University of Idaho is an extensive and diverse community of people from varied backgrounds and beliefs. We welcome the viewpoints and contributions of everyone in our community. We believe that an institution is only as strong as its ability to include diverse perspectives that critically contribute to the University of Idaho’s mission.

3. **Integrity** - we believe that adherence to and a shared understanding of ethical principles is necessary for effective collaboration within an educational community. The University of Idaho is committed to internal congruence as well as openness and transparency in decision-making and leadership.

4. **Perseverance** - the University of Idaho is a community that is brave and bold in our pursuit of higher aspirations, always pushing to offer the best opportunities and environment for our students, faculty, staff and community. We are confident in our ability to succeed and have demonstrated long-term discipline to achieve our goals.
5. **Sustainability** - we embrace our personal and social obligation to ensure the sustainability of our future. For this community, ensuring a sustainable healthy lifestyle is part of a comprehensive desire to acknowledge stewardship of the natural environment to human interactions and well-being.

**RECENT PROJECTS AND SUCCESSES**

The University of Idaho has a long history of successfully completing major projects to propel the institution on the national stage. The below represents $80+ million worth of completed projects over the past 15 years demonstrating U of I’s commitment to elevating the student experience:

- Interdisciplinary Science Lab Building (LEED Gold) $45MM
- Renovation of the Education Building (LEED Gold) $14MM
- Northern Idaho Collaborative Education Facility $9.8MM
- Idaho’s WWAMI Laboratory and Classroom $7.7MM
- New Aquaculture Research Laboratory $2.8MM
- Research and Extension Classroom / Office Building $2.5MM
- Historic renovation of UI’s Administrative Building $2.3MM

**CURRENT/UPCOMING NON-UTILITY PROJECTS**

In addition to the recently completed projects, the University has a number of projects under construction or in the design/planning phase. They represent strategic investments by U of I across the institutional enterprise and align with the Long-Range Campus Development Plan.

**Under Construction – 2021 Completion**
- Idaho Central Credit Union Arena (Moscow) $51MM
  - Opening in 2021
  - The first mass timber sports arena in the country. Using timber harvested from the U of I Experimental Forest for construction, this concept originated from the College of Natural Resources and dedicated U of I alumni.

**In Design/Planning – 2021 Anticipated Completion**
- Seed Potato Research Facility (Moscow) $5.2MM
  - Provides new research space supporting the potato industry that will include germplasm storage. The lab provides the genesis for 60% of all potatoes grown in the United States.
- Ridenbaugh Hall and School of Music Renovations (Moscow) $3.7MM
  - Sound mitigation and isolation improvements and addresses deferred maintenance needs and outdated finishes throughout two buildings supporting the School of Music.

**In Design/Planning – 2022 Anticipated Completion**
- Idaho Center for Agriculture, Food, and the Environment (CAFE) Research Dairy (Rupert) $20MM+
  - Anticipated to be largest integrated research facility in the country that will include a research dairy and agronomic field plots.
- CAFE Outreach Center (Jerome) $15MM+
  - The outreach education/discovery center tells the story of Idaho agriculture. Also included in the project are research and housing facilities.
- Vandal Meats Laboratory (Moscow) $8MM
  - Replaces an aging Meat Sciences Lab to provide a practical teaching lab for meat processing and production as well as classroom and a sales storefront for Vandal Meats.
1-2  REQUEST FOR QUALIFICATIONS SUBMISSION

Submission must be made electronically to juliam@uidaho.edu and eight (8) copies mailed via FedEx to the following address no later than 3:00 Pacific Time on December 18, 2019.

University of Idaho
Contracts & Purchasing
Attn: Julia R. McIlroy, Director
1028 West Sixth Street
Moscow, Idaho 83844-2006

The RFQ submission must be signed by such individual or individuals who have full authority from the Respondent to enter into a binding Agreement on behalf of the Respondent at a future date. By reference, the terms and conditions set forth in the Request for Qualifications shall serve as a basis for the terms and conditions regarding any future agreements. In addition, the laws of the State of Idaho shall apply.

Submissions received after the exact time specified for receipt will not be considered.

1-3  PROCUREMENT SCHEDULE

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<th>Description</th>
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<tr>
<td>11/6/2019</td>
<td>Request for Qualifications Issued</td>
</tr>
<tr>
<td>11/19/2019</td>
<td>Optional Pre-submission Meeting &amp; Campus Tour</td>
</tr>
<tr>
<td>11/22/2019</td>
<td>Inquiries Due</td>
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<tr>
<td>12/18/2019</td>
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<td>January 2020</td>
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<td>Winter 2020</td>
<td>Request for Proposals Issued to Shortlisted Respondents (subject to change)</td>
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<td>Spring 2020</td>
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1-4  PRE-SUBMISSION MEETING RSVP & INQUIRIES

Firms interested in attending the optional pre-submission meeting and campus tour on November 19, 2019, are required to email the names of all attendees to Julia McIlroy (juliam@uidaho.edu) by 5:00 Pacific Time on Friday, November 15, 2019.

All inquiries concerning this request shall be submitted in writing and received by Contracts & Purchasing Services on or before November 22, 2019 to:

Julia R. McIlroy, Director
E-mail: juliam@uidaho.edu

Respondents should consider Contracts & Purchasing Services as the first and prime point of contact on all matters related to the procedures associated with this RFQ. If additional information is needed from any source, Contracts & Purchasing Services will work with the Respondent and with the various offices of the University to gather that information.

1-5  INTERPRETATION, CORRECTIONS, OR CHANGES IN RFQ

Any interpretation, correction, or change in the RFQ will be made by addendum by the University. Interpretations, corrections, or changes to the RFQ made in any other manner will not be binding, and no Respondent may rely upon any such interpretation, correction, or change.
MODIFICATION OR WITHDRAWAL OF SUBMISSIONS

A Respondent may modify or withdraw a submission at any time prior to the specified time and date set for the RFQ closing. Such a request for modification or withdrawal must be in writing and executed by a person with authority as set forth under paragraph 1-2 above, or by facsimile notice subsequently confirmed in writing.

ERASURES AND INTERLINEATIONS

Erasures, interlineations, or other changes in the submission must be initialed by the person(s) signing the submission.

ACKNOWLEDGMENT OF ADDENDUMS TO RFQ

Receipt of an addendum to this RFQ must be acknowledged by a Respondent on the Proposal Response Certification (Attachment A).

SUBMISSION COPIES

One (1) electronic complete copy of the submission shall be submitted to the University via USB flash drive.

REJECTION OF SUBMISSIONS

The University in its sole discretion, expressly reserves the right to reject any or all submissions or portions thereof, to reissue a Request for Qualifications, and to waive informalities, minor irregularities, discrepancies, and any other matter or shortcoming.

F.A.R. REQUIREMENT

All purchase orders and contracts issued by the University of Idaho are subject to F.A.R. 52.209-6. Supplier warrants that neither supplier nor its principals are presently debarred, suspended or proposed for debarment by the Federal Government.
SECTION 2 - INSTRUCTIONS FOR PREPARING SUBMISSIONS

2-1 GENERAL

To aid in the evaluation process, it is required that all responses comply with the items and sequence as presented in paragraph 2-2, RFQ Response Outline. Paragraph 2-2 outlines the minimum requirements and packaging for the preparation and presentation of a response. Failure to comply may result in rejection of the response. The submission should be specific and complete in every detail, prepared in a simple and straightforward manner. Submissions should contain no more than 40 double-sided pages of content, excluding cover pages and section dividers.

Respondents are expected to examine the entire Request for Qualification, including all specifications, standard provisions, and instructions. Failure to do so will be at the Respondent's risk. Each Respondent shall furnish the information required by the invitation. It is required that submission entries be typewritten. Periods of time, stated in number of days, in this request or in the Respondent's response, shall be in calendar days.

2-2 RFQ RESPONSE OUTLINE

Should you wish to pursue this opportunity with the University of Idaho, you are required to prepare and submit a written response in accordance with the requirements and procedures contained herein. The response will be based on information provided in this RFQ document.

A. Response Sheet: The Submission Response Certification should be attached to the front of the submission and should contain the Respondent's certification of the submission. An official who has full authority to enter into an Agreement should sign it.

B. Statement of Interest: A cover letter to the Selection Committee describing your interest in the potential partnership and key reasons why your firm/team is the best qualified to serve as the University’s long-term partner for this opportunity.

C. Background and History: The Respondent’s submission will describe the company, organization, key individuals, the number of employees, the relevant roles of employees that would work on this engagement if chosen, decision making structure and policies, a representative organizational chart, and the number of years the organization has been continuously engaged in business.

D. Financial Capacity: Please provide the following information for the University’s review:
   - A letter of good standing from a financial institution;
   - Balance sheet of any firms investing equity in or potentially having an ownership stake in the entity entering into an agreement with the University;
   - Describe the ability to execute a project of this scale using various sources of capital (tax-exempt bonds, taxable bonds, tax credits, bank loans, etc.).

E. Technical Acumen: Describe Respondent’s ability to operate and maintain long-term operations and maintenance of utility systems while accentuating safety, efficiency, and reliability, especially with regard to biomass plants. Please include sourcing and managing supply, as well as operability of utility systems supporting critical services on a 24/7 basis including emergency preparedness procedures. Additionally, include experience in the planning and implementation of multi-year lifecycle replacement and service plans while balancing scheduled and unscheduled maintenance of utility system assets.

F. Creative Solutions: Please provide examples of how your firm/team has brought forth innovative, technological solutions that have provided additional value to a system, a system owner, and/or the partnership as a whole. The University is not expecting respondents to address solutions specific to U of I.

G. Case Studies & References: Please describe Respondent's experience in performing the requested services with similar sized entities (preference will be given to institutions of higher education). Provide no more than five (5) case studies, including details of the Respondent’s roles, responsibilities, transaction details, and schedule. Please provide references for each case study, including names, titles, and current contact information.
H. **Integration with the Academic Curriculum:** The University of Idaho prides itself on leveraging opportunities for students and academic programs to thrive and to further propel the University forward. Please describe how your firm has approached this in previous endeavors, and any initial opportunities that may be applicable between your firm and the University.

I. **Perceived Strengths & Challenges:** Based on the information included in this RFQ, please provide a list of any perceived strengths and challenges of the potential P3 opportunity at the University of Idaho. These should not be limited to the physical assets of the University or utility system but may include recommendations on proposed transaction structures/ realignment of the University’s process to best ensure successful outcomes in the short- and long-term.

J. **Respondent Exceptions:** Describe any exceptions to the terms and conditions contained within this document.
SECTION 3 - TECHNICAL SPECIFICATIONS

3-1 SCOPE OF WORK

OVERVIEW OF THE UTILITY SYSTEM & OPPORTUNITY

The University of Idaho plans, constructs, operates, and maintains many of its own utilities and infrastructure. The University cannot depend upon the city, county, or other agencies or districts for most of its utility and infrastructure funding since the University’s Moscow campus is a large land expanse located in a rural area. This makes the University unique among institutions of higher education within the state of Idaho and nationally. The University has a fiscal and operational responsibility for steam generation and distribution and electrical energy. U of I also maintains its own domestic water wells, water storage and distribution of water systems, reclaimed water collection, treatment and distribution, and chilled water production and distribution. Sanitary sewage collection and delivery to the community treatment facility, storm water collection, treatment, and discharge are also part of the University’s vast utility infrastructure network. The University of Idaho engages in purchase, generation, and distribution of power through existing private and public partnerships. U of I, through a 1994 electricity agreement, purchases from the local electrical and gas utility 48,500 MWh of energy per year behind two-metered points serving 86 facilities and 2.21 million GSF.

The University’s utility system is operated as a separate enterprise and currently provides utility services to the main Moscow Campus encompassing 436 acres.

- Operational elements of the utility system include the production and distribution of steam, chilled water, domestic water and the reclamation of water, distribution of electricity.
- The University of Idaho engaged in a contract with an Energy-Service Company (ESCO) beginning in 2008 and has reduced electrical consumption by 26.8% since 2002. Additional detail on the ESCO agreements will be provided to shortlisted firms as part of the RFP.
- In 2018, the system produced 2.65 MM MMBtu of steam, distributed 48.5 MM kWh of electricity, treated 3.67MM MMBtu of chilled water, and utilized .454 MWh of electricity to produce 240 MGY of water per year (including 86 MGY reclaimed water for campus irrigation).
- Every University department including the University’s Auxiliary Facilities Services and Student Clinics, are a consumer of the services provided by the utility system. Major users include:
  - Research 21%
  - U of I Athletics 10%
  - Residential Services 9%
  - District Energy Plant 6%

Utility System Strategic Goals and Objectives

The Concessionaire will engage with the University of Idaho to transform the existing operational and financial paradigm through innovative integration, modernizing and leveraging existing infrastructure. The partnership will develop a strategic capital outlay plan to transform the institutional business model through the cultivation of academic programs, renewable resources, and community. Parallel objectives include the stewardship of renewable resources to reduce the University’s climate footprint (i.e. Carbon Neutrality).

The University of Idaho strives to attain energy independence through cost reductions and the funding of higher education through entrepreneurial business enterprises, partnerships benefiting existing utility infrastructure, and expanded capital improvements of the University’s plant, facilities and academic programs. The concept of utility partnerships seeks innovation through modernization and leveraging of existing opportunities from renewable resources of biomass, solar, geothermal, and wind to engage in best business management practices stewarding public funding of university assets. Innovative employment and engagement of existing utility systems with partners will yield energy savings and avoided costs serving a lifecycle of plant and facilities.
Critical to the University of Idaho’s long-term strategic interest is the ability to nest as a microgrid within the national grid serving institutional and national strategic resiliency. Energy independence is the “Next Big Thing” that the University may engage at the forefront of distributed renewable energy sources serving all four University of Idaho goals – **Innovate, Engage, Transform, and Cultivate**.

- **Innovate** - Explore and model distributed generation on the U of I campus as a living learning platform leveraging regional, local, community and campus resources to use existing technologies and growth of programs.
  - *Existing utility infrastructure* - Leverage existing utility infrastructure to capture avoided costs serving the interests of higher education including revenue generation through potential generation of power, agricultural products, energy and water.
  - *Modernization* - Develop existing plant and facilities serving the campus to garner 20-30% in energy savings and avoided costs.
  - *Capital outlay* - Seek to develop campus utilities with avoided costs and a steady-state revenue stream to support a priority of modernization of campus infrastructure.
  - *Business management* - Engage in entrepreneurial enterprises through utility infrastructure, included by but not limited to the Center for Agriculture, Food and the Environment (CAFE), and the Vandal Meats lab to recover and offset rising institutional costs.
  - *Learning Living Platform* - Develop an academic program to harness all colleges producing energy and natural resource plans.

- **Engage** - Integrate national-level, strategic interests and further become stewards of campus and regional resources with employment of a resilient campus.

- **Transform** - Develop a funding model for higher education receiving net revenue for wheeling power to the broader utility grid. Seek to offset annual expenses and generate revenue from existing energy consumption annually by targeting all energy sectors and coupling entrepreneurship of existing capital projects. Derive resiliency through self-reliance and sustained campus life support reducing the campus climate footprint as nested distributed resource.

- **Cultivate** - Host a living learning platform to model National Energy Doctrine and derive increased student enrollment as the University of Idaho will lead by example inclusive of existing college projects.

**Historical Consumption and Cost Information**

From 2008 to 2010, the University dedicated substantial resources to demand management, forecasting, and load balancing efforts which greatly enhanced the efficiency of the utility system. After installing controls and monitoring checkpoints, the University has been able to focus on the largest variable to the system - weather in the Palouse region. Total energy consumption declined after these dedicated efforts but has slowly risen as the University's demand has grown, as shown in Figure 1.1. Note that additional detail regarding consumption and expenses will be provided during the RFP phase.
Figure 1.1 – Total Energy Consumption at the University of Idaho (MMBTUs)
The University of Idaho’s electricity consumption has declined every year since 2009, as seen in Figure 1.2. This amounts to a 19% reduction, eliminating over 11,000 megawatt-hours from the system. Over the same period, U of I was able to reduce electricity costs by 13% or $39MM annually (Figure 1.3). Introducing energy efficiency initiatives is a priority as total kilowatt-hour consumption across the institution has been diligently managed from both plant and user standpoints.
Wood (primarily chips from the local sawmills) makes up over 92% of steam production at the University, and natural gas provides the balance of the steam required. The University was able to streamline production after the load balancing and demand planning efforts. This reduced waste and allowed for increased steam production to match true demand (approximately 15% or ~40 million pounds) since the 2012 stabilized year (Figure 1.4).

The results of the optimization efforts are highlighted in Figure 1.5 as steam costs from natural gas dramatically reduced from 2009 to 2010 and persist at relatively balanced levels in the subsequent years.
Domestic water use has returned to levels seen in the 1950s, in part due to the reclaimed water system. The Palouse Basin Aquifer Committee (PBAC) was formed in 1967 to address concerns with declining ground water levels in the area. From 1992 to 2013, total pumping by the major entities (City of Pullman, City of Moscow, Washington State University, University of Idaho, Colfax, and Palouse) declined by 15.5%. Domestic water usage is in a long-term downtrend as the University continues to refine its practices around reclaimed water. Figure 1.6 represents the total water used by the University.

![Figure 1.6 - Annual Water Usage (Gallons)](image)

Figure 1.7 represents the total utility expense, by utility, over the past three fiscal years.

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Figure 1.7 – Historical Utility Expenses

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Plant Assets, Systems, and Purchase Agreements

- **Main Campus Power Plant**: Serves as an important teaching facility for future engineers, resource managers, energy managers, business managers, architects, sustainability managers and scientists to serve as a living learning platform.
  - The University is presently involved in a build out of a “trigeneration” project through the installation of three backpressure turbine electric generators, that are anticipated to provide 12% of the total campus load. The trigeneration plant provides electricity, heat, and cooling to the Moscow campus. It is served by one U of I-owned electrical substation.
  - A single, solid wood-fueled boiler and three natural gas boilers serve steam production across campus. Over the past thirty-three years, the University of Idaho’s District Plant divested from coal, and made use of biomass in the form of wood chips as a waste byproduct of the timber industry to operate coal-free since 1986.
- **Main Campus Chilled Water Plant**: Used for air conditioning and cooling on campus, includes three plants and 7 chillers.
- **Main Campus Water Plant**: Serves as an important teaching facility for future engineers and water treatment specialists – diverting and distributing 142 million gallons per year (MGY) of ground water and 86-96 MGY of reclaimed water. Reclaimed water is used for irrigation purposes and makes up 41% of the total campus water use.
- **Utility Purchase Agreements**:  
  - Natural gas serving the district plant as a backup during low temperature periods is sourced through a broker (IGI) and hedged. The remaining natural gas for approximately 38-independent buildings is sourced through the local gas utility, AVISTA.
  - Electricity is purchased from AVISTA.
  - Renewable fuels in the form of wood chips are purchased from regional suppliers such as the timber industry.

Identified Utility Deferred Maintenance and Capital Projects

The following items represent a list of identified deferred maintenance and capital projects related to, or impacting, the Utility infrastructure:

- **Deferred Maintenance (in order of priority)**
  - Administration Building HVAC Improvements (phase 2)
  - Gibb Hall HVAC Improvements (phase 2)
  - Campus-wide SCADA, MCC, Metering, and Analytics
  - Janssen Engineering Building HVAC Upgrade (phase 4)
  - LHSOM HVAC Improvements (phase 1)
  - Administration Building HVAC Improvements (phase 3)
  - Gibb Hall HVAC Improvements (phase 3)
  - Life Sciences South HVAC Upgrade (phase 3)
  - Administration Building HVAC Improvements (phase 4)
  - Shoup Hall HVAC Upgrades
- **Capital Projects (in order of priority)**
  - IRIC PV Array
  - Hartung Theater (connect to chilled water loop)
  - Campus-wide LED Lighting Completion
  - Kibbie Dome Sports Lighting
  - Kibbie Dome Connection to District Energy
  - Hartung Theater (connect to district energy)
  - McConnel (connection to chilled water loop)
  - Occupancy Sensor Installation (general education and auxiliary buildings)
  - Campus-wide Lighting Management Systems
  - Additional Wood-fired Boiler in District Energy Plant
Potential Utility-related Entrepreneurial Projects

As the University continues to execute its Long-Range Campus Development Plan, the U of I team has identified a series of potential entrepreneurial projects that could be implemented to help meet the strategic goals and vision developed by the Facilities and Utilities teams.

- **CAFE Research Dairy & CAFEE Outreach Center** - Utilize renewable resources to support the ongoing Mega Dairy and Family Farm Model (60-head unit) to offset energy and water consumption. Accomplished through use of renewable resources including PV arrays and wind turbines.
- **Vandal Meats Laboratory** – University enterprises digesters.
- **Back Pressure Microturbines** - “Trigeneration” project to install three backpressure turbine electric generators at the Central Plant.
- **Composting** – Developing a cradle-to-cradle approach to business management of U of I property harnessing the U of I Experimental Forest.
- **U of I Experimental Forest / State Endowment Lands** – Create a formal business model to help best manage owned assets to meet the needs of the University, the State, and the Forest Products sector of the Agriculture industry.

University Goals and Objectives for the Partnership

The University of Idaho looks forward to engaging in a public-private partnership that will provide the opportunity for a private utility operator to manage the on-campus utility systems through a long-term agreement. Initial goals and objectives of this specific partnership include:

- **Upfront Capital Payment to the University**
  - The Concessionaire will make a to-be-determined one-time upfront payment to the University. The amount of the payment will be determined by the shortlisted vendors during the RFP phase.
  - Proceeds from the upfront payment will be utilized to fund strategic initiatives and investments across the University enterprise.
- **On-going Capital Investments**
  - Throughout the term of the Agreement, the University expects its partner to continue to make investments in the utility systems. These include, but are not limited to, investments in deferred maintenance to improve operations and maintenance, large capital investments, and creative projects to help achieve the goals of the utility systems as identified above.
  - The partner is expected to maintain the utility assets in similar or better condition than the beginning of this engagement. The University is currently contemplating a replacement of the Central Plant in approximately 30 years unless alternate solutions can be developed and implemented.
- **Operational & Management Expertise**
  - The Concessionaire will be responsible for operation, maintenance, and capital renewal of the existing facilities.
  - U of I desires for its long-term partner to lead the short- and long-term capital planning. These planning efforts should balance University needs, payback periods/revenue generation, life-cycle maintenance, deferred maintenance, prioritization, and generating operating savings.
  - The Concessionaire will be responsible for implementing energy efficiency upgrades to the system where applicable. Efficiency metrics will be provided during the RFP period.
- **Creativity and Execution Reliability**
  - The University has developed progressive, entrepreneurial ideas for how the Utility system can operate under a different paradigm and serve as a trendsetter nationally. The University’s selected partner will help evaluate, revise, plan, and execute various projects to realize these strategic goals.
• Integration with the Academic Curriculum
  o Developing a coalition supporting the local market economy to further research and innovation in pragmatic application of new and emerging renewable technologies resulting in the cost reduction of higher education and resilience in utility infrastructure.
  
  • Collaboration - Coalition of Energy and Water Manage Curricula serving the Energy and Water Market; SEL, Latah County, City of Moscow, Gritman Memorial Hospital, Bonneville Power, AVISTA, PG&E and other related public utilities integrating engineering, civic, and political interests. Others may be introduced from industry and government for synergy.
  
  • Academic - Programs coupling all relevant university colleges generating degrees programs and certificates serving skilled industrial and professional programs in natural resources, and energy.
  
  • Learning (Kinesthetic) - Education driven research serving a living learning platform wherein students learn from active management of resources while learning on campus.
  
  • Investment - Returns and avoided costs and/or generated revenue to campus infrastructure and academia to reduce the cost of higher education building tomorrow’s future generations today.

Operations and Management Responsibilities

The successful firm will provide operations and management of the following utilities and management concepts through a spectrum of modernization assets to buildout and growth of capital outlay:

• **District Energy Plant** – Trigeneration plant serving power generation as well as steam and chilled water inclusive of distribution network.

• **Electrical Distribution System** – Serves campus with uninterrupted power nested in a microgrid for resiliency and revolving a revenue stream. Manages renewable infrastructure and resources.

• **Water Systems** – Expands collaboratively with the City of Moscow the reclaimed water system serving broader interests in ongoing preservation and protection of water resources. Manages the plant and infrastructure to offset pumping at 242 MGY.

• **Modernization of Existing** - The successful firm provides technical support on renewable energy in the forms high voltage systems, water systems, conveyance and related utility infrastructure. Operate existing plant and infrastructure serving campus utilities less governance in accordance with local, state and federal regulations.

• **Growth and Capital Outlay** - Provide labor, plant and equipment for large capital investments in renewable programs engaging in biomass, wind turbines, geothermal operations, and water systems.

• **Sustainability** - Provide continuous commissioning and sustainability of assets and resources monetizing energy, water savings and avoided costs.

• **Strategic Planning (Think Tank)** - Support of strategic development furthering campus resiliency and reinvestment of capital generated from revenue of monetized assets and energy management strategies. The successful firm will provide in-kind services or cash equivalent serving higher education. Reinvest various sources of capital to support capital growth and infrastructure sustainment.
SECTION 4 - PROCUREMENT PROCESS

4-1  **RESPONDENT LIST AND QUALIFICATION EVALUATION**

After the established date for receipt of submissions, a listing of Respondents will be prepared, and will be available for public inspection.

Submissions will be reviewed and evaluated based on the evaluation factors set forth in the RFQ.

4-2  **SUBMISSION CLASSIFICATION**

For the purpose of conducting discussions with individual offerers, if required, submissions will initially be classified as:

   A. Potentially Acceptable
   B. Unacceptable

Discussions may be conducted with any or all of the Respondents whose submissions are found acceptable or potentially acceptable. Respondents whose submissions are unacceptable will be notified promptly. The Director of Contracts and Purchasing Services will establish procedures and schedules for conducting oral and/or written discussions.

4-3  **RESPONDENT INVESTIGATION**

The University will make such investigations as it considers necessary to obtain full information on the Respondents selected for discussions, and each Respondent shall cooperate fully in such investigations.
SECTION 5 - EVALUATION PROCESS

The University reserves the right to reject any or all submissions, or portions thereof. The identification of shortlisted Respondents, if any, will be made based upon which submissions the University determines would best meet its requirements and needs.

5-1 EVALUATION CRITERIA

Respondents will be required to demonstrate technical, financial, operational, and managerial capabilities necessary for the successful implementation of the partnership. The University of Idaho has thoughtfully considered each of the evaluation criteria and listed them in alphabetical order, not by order of importance.

- **Ability to Operate and Maintain Safely, Efficiently, Reliably, and Cost Effectively (SERCE)**
  - Defined track record of successful long-term operations and maintenance, meeting key performance indicators established by utility system owners, including:
    - Biomass plants, including sourcing and managing supply.
    - Utility systems supporting critical services on a 24/7 basis.
    - Complex sourcing, generation, and distribution systems.
  - Experience in procuring biomass fuel and optimizing procurement strategies to mitigate price and supply reliability risk associated with fuel supply arrangements.
  - Experience in the planning and implementation of multi-year life-cycle replacement and service plans while balancing scheduled and unscheduled maintenance of utility system assets.
  - Defined track record of managing risk and an ability to establish appropriate risk allocation.

- **Capabilities and Experience Related to Capital Projects and Higher Education**
  - Track record of delivering projects within the scope and timing of agreed upon terms.
  - Experience collaborating with diverse stakeholders during the design phase of projects.
  - Defined expertise in conducting an efficient supply chain delivery to support on-site work.
  - Successful ability to align the culture of your organization with institutions of higher education.

- **Financial Capabilities**
  - Respondent’s ability to invest equity and/or raise capital commensurate with the size and financial structure of the potential partnership.
  - Respondent’s experience raising / investing equity and/or structuring financing sources to obtain financing commitments for submissions, and achieving financial close, on similar projects using a diverse range of financial products including, but not limited to, taxable bonds, tax-exempt bonds, letters of credit, bank loans, private equity, and other financing sources.
  - Prior experience financing projects based on a utility and/or concession-based delivery structure.
  - Ability to provide financial security through the entirety of the Agreement.
  - Financial standing of the responding team to carry out all responsibilities associated with a successful implementation of the partnership. This will include:
    - The balance sheet of each company making an equity investment in, or owning a portion of, the entity entering into an Agreement with the University; and
    - Details regarding any bankruptcy or insolvency proceedings.

- **Ingenuity and Flexibility**
  - Clear depiction of the respondent’s understanding of the University of Idaho’s goals and objectives balanced with the risk profile of the potential transaction. Creative solutions to the U of I’s goals and objectives will be embraced.
  - Track record of successfully managing a multitude of stakeholders during planning, design, construction, and ongoing plant operations.
  - Long-term flexibility and inventiveness in similar projects.

- **Structure and Functionality of the Team**
  - Background and expertise of individual team members with projects of a similar nature within higher education.
    - Key individuals of each team should be showcased, as well as their track records showing successful implementation of DBFOM projects or alternative delivery methods.
  - Clear definition of the roles and responsibilities of each key individual and firm, including alignment in accordance with the overall needs as described in this RFQ.
Efficient and clear decision-making processes at managerial and technical levels, especially with regard to key stakeholders.

Prior experience working together as a team, including the number of projects similar in nature, and any efficiencies that have been gained as a result.

The University of Idaho has established a Selection Committee (the “Committee”) to review and evaluate submissions from each responding firm/team according to the requirements and criteria outlined herein. Members of the Committee include:

- Brian Foisy – Vice President, Finance and Administration
- Gregory Cain – Interim Assistant Vice President, Auxiliary Services
- Linda Campos – Associate Vice President for Finance / Controller
- Brian Johnson – Assistant Vice President, Facilities
- Trina Mahoney – Assistant Vice President, University Budget & Planning
- Eugene Gussenhoven – Director, Utility and Engineering Services
- Julia McIlroy – Director, Purchasing Services

The Committee may exclude from consideration any responding team whose submission contains a material misrepresentation or fails to comply with the stated requirements. The University of Idaho, in its sole discretion, may waive any such failure to meet a requirement of this RFQ and may request clarification or additional information to remedy a failure.

Rieth Jones Advisors is serving as the University’s strategic advisor for this opportunity. U of I is in the process of engaging separate financial, legal, and technical advisors to support the work of the Committee and will disclose those firms at a future date. Interested parties are expressly prohibited from contacting any member of the Committee, University staff (unless otherwise stated in this RFQ), or members of the advisory team throughout the RFQ process.
SECTION 6 - GENERAL CONTRACTUAL TERMS AND CONDITIONS

The following are University Terms and Conditions which may be part of the Request for Proposals should the University elect to move forward with the procurement process.

6-1 AGREEMENT TERMS AND CONDITIONS

The submission of a response herein constitutes the agreement of any Respondent that any Agreement to be drawn as the result of an award herein shall be prepared by the University and shall include at a minimum, all terms and conditions set forth in this RFQ. The submission of a response shall further constitute the agreement of each Respondent that it will not insist on the use of standard contract agreements, documents, or forms, and that it waives any demand for the use of its standard agreements. The Agreement between the parties shall consistent of, in order of precedence: the agreement document signed by the Parties subsequent to submission of the submission, and any attachments thereto and incorporations therein, the terms and conditions in the RFQ, and the Respondent’s response to the RFQ.

6-2 ASSIGNMENT

No assignment of this Agreement or of any right accruing under this Agreement shall be made, in part or in whole, by Contractor without the written consent of the University. Notwithstanding any assignment, Contractor shall remain fully liable on this Agreement and shall not be released from performing any of the terms, covenants, and conditions of this Agreement.

6-3 TERMINATION FOR CONVENIENCE

The University may terminate this Agreement, in whole or in part, at any time by written notice to the Contractor. The Contractor shall be paid its reasonable costs, including reasonable close-out costs and a reasonable profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim for payment. If the Contractor has any property in its possession belonging to the University, the Contractor will account for the same and dispose of it in the manner the University directs.

6-4 TERMINATION FOR DEFAULT

If the Contractor does not deliver the materials in accordance with the Contract delivery schedule, or if the Contract is for services and the Contractor fails to perform in the manner called for in the Contract, or if the Contractor fails to comply with any other provisions of the Contract, the University may terminate this Contract for default. Termination shall be affected by serving on the Contractor a notice of termination setting forth the manner in which the Contractor is in default. The Contractor will be paid a reasonable price for materials delivered and accepted, or services performed in accordance with the manner of performance set forth in the Contract.

6-5 INDEMNIFICATION

Contractor shall indemnify, defend and hold the University and the State of Idaho harmless from and against any and all claims, losses, damages, injuries, liabilities and all costs, including attorneys fees, court costs and expenses and liabilities incurred in or from any such claim, arising from any breach or default in the performance of any obligation on Contractor’s part to be performed under the terms of this Agreement, or arising from any act, negligence or the failure to act of Contractor, or any of its agents, subcontractors, employees, invitees or guests. Contractor, upon notice from the University, shall defend the University at Contractor’s expense by counsel reasonably satisfactory to the University. Contractor, as a material part of the consideration of the University, hereby waives all claims in respect thereof against the University.

Contractor shall: (a) notify the University in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperate completely with the University and/or the University's insurers in the defense of such injury or claim; and (c) take no steps such as admission of liability which would prejudice the defense or otherwise prevent the University from protecting the University’s interests.
6-6 **APPLICABLE LAW AND FORUM**

This Agreement shall be construed in accordance with, and governed by, the laws of the State of Idaho. Any legal proceeding related to this Agreement shall be instituted in the courts of the county of Latah, state of Idaho, and Contractor agrees to submit to the jurisdiction of such courts.

6-7 **LAWS, REGULATIONS AND PERMITS**

The Contractor shall give all notices required by law and comply with all applicable Federal, State, and local laws, ordinances, rules and regulations relating to the conduct of the work. The Contractor shall be liable for all violations of the law in connection with work furnished by the Contractor, including the Contractor's subcontractors.

6-8 **GENERAL QUALITY**

All of the Contractor's work shall be performed with the highest degree of skill and completed in accordance with the Agreement Documents.

6-9 **PROOF OF COMPLIANCE WITH AGREEMENT**

In order that the University may determine whether the Contractor has complied with the requirements of the Agreement Documents, the Contractor shall, at any time when requested, submit to the University properly authenticated documents or other satisfactory proofs as to compliance with such requirements.

6-10 **PAYMENT AND ACCEPTANCE**

Except as otherwise provided herein, payments shall be due and payable within (30) days after acceptance of such goods or services or after receipt of properly completed invoice, whichever is later. No advance payment shall be made for goods or services furnished pursuant to this Agreement.

6-11 **CONTINUATION DURING DISPUTES**

The Contractor agrees that notwithstanding the existence of any dispute between the parties, insofar as possible under the terms of the Agreement to be entered into, each party will continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by any court.

6-12 **SEVERABILITY**

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Agreement are declared severable.

6-13 **INTEGRATION**

This Agreement constitutes the entire Agreement between the parties. No change thereto shall be valid unless in writing communicated in the stipulated manner, and signed by the University and the Contractor.

6-14 **BINDING EFFECT**

This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties hereto and their respective heirs, legal representatives, successors, and assigns.

6-15 **APPROPRIATIONS CLAUSE**

If the term of this Agreement is longer than one year, the University’s obligations and liabilities hereunder are subject to the appropriation of funds from the State of Idaho, which appropriation shall be in the State of Idaho’s sole discretion, from revenues legally available to the University for the ensuing fiscal year for the purposes of this
Agreement. If the State of Idaho does not appropriate the funds for the purpose of this Agreement, the Agreement shall terminate and neither party shall have any further obligations hereunder.

6-16 IRS SECTION 501(C)(3) AND SECTION 115 CONSIDERATIONS

If any provision of this Agreement may cause the University to lose its status as an Internal Revenue Code Section 501(c)(3) corporation, this Agreement shall be voidable. In the alternative, at the sole option of the University, the offending provision(s) shall be modifiable such that the provision(s) will no longer cause the University to lose its status as a 501(c)(3) corporation. The terms of the modification shall be subject to agreement in writing by all parties.

6-17 COMPLIANCE WITH GOVERNOR’S EXECUTIVE ORDER

In the event any provision of this Agreement shall cause the University to be in violation of any of the Governor of Idaho’s Executive Orders, then this Agreement shall be voidable at the sole option of the University.

6-18 DEBARRED, SUSPENDED OR EXCLUDED

All purchase orders and contracts issued by the University of Idaho are subject to F.A.R. 52.209-6. Supplier warrants that neither supplier or its principals is presently debarred, suspended or proposed for debarment by the Federal Government.

6-19 NON-USE OF NAMES AND TRADEMARKS

Contractor shall not use the name, trade name, trademark, or other designation of the University, or any contraction, abbreviation, or simulation any of the foregoing, in any advertisement or for any commercial or promotional purpose (other than in performing under this Agreement) without the University's prior written consent in each case.

6-20 RISK OF LOSS

Until all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, Contractor shall bear all risks of all loss or damage to the improvements, equipment, or goods, excluding loss or damage caused by acts, omissions, or negligence of the University. Once all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, the risk of all loss or damage shall be borne by University, excluding loss or damage caused by acts, omissions, or negligence of the Contractor.

6-21 CONTRACTOR REPRESENTATIONS

Contractor represents and warrants the following: (a) that it is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to provide the equipment and goods, complete the services, and perform its obligations required hereunder; (b) that it is able to furnish any of the plant, tools, materials, supplies, equipment, and labor required to complete the services required hereunder and perform all of its obligations hereunder and has sufficient experience and competence to do so; (c) that it is authorized to do business in Idaho, properly licensed by all necessary governmental and public and quasi-public authorities having jurisdiction over it and the services, equipment, and goods required hereunder, and has or will obtain all licenses and permits required by law; and (d) that it has visited the site of the project and familiarized itself with the local conditions under which this Agreement is to be performed.

6-22 REGENTS’ APPROVAL

This Agreement may be subject to approval by the Regents of the University of Idaho, and if it is and if such approval is not granted this Agreement shall be void and neither party shall have any further obligations or liabilities hereunder.
6-23 SURVIVAL OF TERMS

The terms and provisions hereof, and all documents being executed hereunder, if any, including, without limitation, the representations and warranties, shall survive this Agreement and shall remain in full force and effect thereafter.

6-24 HEADINGS

The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

6-25 ADDITIONAL ACTS

Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by the parties, the parties hereby agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered any and all such further acts, deeds and assurances as any party hereto may reasonably require to consummate the transaction contemplated hereunder.

6-26 TIME OF ESSENCE

All times provided for in this Agreement, or in any other document executed hereunder, for the performance of any act will be strictly construed, time being of the essence.

6-27 WAIVER

No covenant, term or condition or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed to be a waiver of any other covenant, term or condition herein. Acceptance by a party of any performance by another party after the time the same shall have become due shall not constitute a waiver by the first party of the breach or default of any such covenant, term or condition unless otherwise expressly agreed to by the first party in writing.

6-28 FORCE MAJEURE

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (except for financial ability), shall excuse the performance, except for the payment of money, by such party for a period equal to any such prevention, delay or stoppage.

6-29 NO JOINT VENTURE

Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or agency relationship between the parties.

6-30 INFORMATION TRUE AND CORRECT

All documents, agreements and other information provided to the University by Contractor or which Contractor has caused to be provided to the University are true and correct in all respects and do not omit to state any material fact or condition required to be stated, necessary to make the statement or information not misleading, and there are no other agreements or conditions with respect thereto.

6-31 EQUAL OPPORTUNITY

Contractor represents and agrees that it will not discriminate in the performance of this Agreement or in any matter directly or indirectly related to this Agreement on the basis of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. This non-discrimination requirement includes, but is not limited to, any
matter directly or indirectly related to employment. Breach of this covenant may be regarded as a material breach of Agreement.

6-32 **PUBLIC RECORDS**

The University is a public agency. All documents in its possession are public records. Submissions are public records and will be available for inspection and copying by any person upon completion of the RFQ process. If any Respondent claims any material to be exempt from disclosure under the Idaho Public Records Law, the Respondent will expressly agree to defend, indemnify and hold harmless the University from any claim or suit arising from the University's refusal to disclose any such material. No such claim of exemption will be valid or effective without such express agreement. The University will take reasonable efforts to protect any information marked "confidential" by the Respondent, to the extent permitted by the Idaho Public Records Law. Confidential information must be submitted in a separate envelope, sealed and marked "Confidential Information" and will be returned to the Respondent upon request after the award of the contract. It is understood, however, that the University will have no liability for disclosure of such information. Any proprietary or otherwise sensitive information contained in or with any submission is subject to potential disclosure.

6-33 **UNIVERSITY’S RULES, REGULATIONS, AND INSTRUCTIONS**

Contractor will follow and comply with all rules and regulations of the University and the reasonable instructions of University personnel. The University reserves the right to require the removal of any worker it deems unsatisfactory for any reason.
SECTION 7 – INDEMNITY, RISKS OF LOSS, INSURANCE

The following are University Terms and Conditions which may be part of the Request for Proposals should the University elect to move forward with the procurement process.

7-1 RISK OF LOSS

Until all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, Contractor and its subcontractors of any tier shall bear all risks of all loss or damage to the improvements, equipment, or goods, excluding loss or damage caused by acts, omissions, or negligence of the University. Once all improvements, equipment, or goods to be provided under this Agreement are installed on property owned or controlled by University and working properly, the risk of all loss or damage shall be borne by University, excluding loss or damage caused by acts, omissions, or negligence of the Contractor. Contractors shall require its subcontractors of any tier to bear the same risk of loss.

7-2 INDEMNIFICATION

Contractor shall indemnify, defend and hold the University and the State of Idaho harmless from and against any and all claims, losses, damages, injuries, liabilities and all costs, including attorneys fees, court costs and expenses and liabilities incurred in or from any such claim, arising from any breach or default in the performance of any obligation on Contractor’s part to be performed under the terms of this Agreement, or arising from any act, negligence or the failure to act of Contractor, or any of its agents, subcontractors, employees, invitees or guests. Contractor, upon notice from the University, shall defend the University at Contractor’s expense by counsel reasonably satisfactory to the University. Contractor, as a material part of the consideration of the University, hereby waives all claims in respect thereof against the University.

Contractor shall: (a) notify the University in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperate completely with the University and/or the University's insurers in the defense of such injury or claim; and (c) take no steps such as admission of liability which would prejudice the defense or otherwise prevent the University from protecting the University’s interests.

7-3 INSURANCE

7.3.1 General Requirements

7.3.1.1 Contractor and its subcontractor(s) of any tier are required to carry the types and limits of insurance shown in this insurance clause, section 8.0, and to provide University with a Certificate of Insurance (“certificate”). All certificates shall be coordinated by the Contractor and provided to the University within seven (7) days of the signing of the contract by the Contractor. Certificates shall be executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below. All certificates shall provide for thirty (30) days’ written notice to University prior to cancellation, non-renewal, or other material change of any insurance referred to therein as evidenced by return receipt of United States certified mail. Said certificates shall evidence compliance with all provisions of this section 8.0. Exhibit A of this Agreement contains a Request for Certificate of Insurance which shall be given to the insurance broker or agent of the Contractor and its subcontractor(s) of any tier, upon award of bid to Contractor.

7.3.1.2 Additionally and at its option, Institution may request certified copies of required policies and endorsements. Such copies shall be provided within (10) ten days of the Institution’s request.

7.3.1.3 All insurance required hereunder shall be maintained in full force and effect with insurers with Best’s rating of AV or better and be licensed and admitted in Idaho. All policies required shall be written as primary policies and not contributing to nor in excess of any coverage University may choose to
maintain. Failure to maintain the required insurance may result in termination of this Agreement at University’s option.

7.3.1.4 All policies except Workers Compensation and Professional Liability shall name University as Additional Insured. The Additional Insured and Certificate Holder shall be stated as: “State of Idaho and The Regents of the University of Idaho”. Certificates shall be mailed to: University of Idaho, Attn.: Risk Management, 875 Perimeter Drive MS2433, Moscow, ID 83844-2433, or email to: risk@uidaho.edu.

7.3.1.5 Failure of University to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Institution to identify a deficiency from evidence that is provided shall not be construed as a waiver of the obligation of Contractor and its subcontractor(s) of any tier to maintain such insurance.

7.3.1.6 No Representation of Coverage Adequacy. By requiring insurance herein, University does not represent that coverage and limits will necessarily be adequate to protect Contractor and its subcontractor(s) of any tier, and such coverage and limits shall not be deemed as a limitation on the liability of the Contractor and its subcontractor(s) of any tier under the indemnities granted to University in this Agreement.

8.1.7 Contractor is responsible for coordinating the reporting of claims and for the following: (a) notifying the Institution in writing as soon as practicable after notice of an injury or a claim is received; (b) cooperating completely with University in the defense of such injury or claim; and (c) taking no steps (such as admission of liability) which will prejudice the defense or otherwise prevent the University from protecting its interests.

7.3.2 REQUIRED INSURANCE COVERAGE

Contractor and its subcontractor(s) of any tier shall at its own expense obtain and maintain:

7.3.2.1 Commercial General and Umbrella / Excess Liability Insurance. Contractor and its subcontractor(s) of any tier shall maintain Commercial General Liability (“CGL”) written on an occurrence basis and with a limit of not less than $1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than $1,000,000. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, sexual abuse and molestation and liability assumed under a contract including the tort liability of another assumed in a business contract. Waiver of subrogation language shall be included. If necessary to provide the required limits, the Commercial General Liability policy’s limits may be layered with a Commercial Umbrella or Excess Liability policy.

7.3.2.2 Commercial Auto Insurance. Contractor and its subcontractor(s) of any tier shall maintain a Commercial Auto policy with a Combined Single Limit of not less than $1,000,000; Underinsured and Uninsured Motorists limit of not less than $1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than $10,000. Coverage shall include Non-Owned and Hired Car coverage. Waiver of subrogation language shall be included.

7.3.2.3 Business Personal Property. Contractor and its subcontractor(s) of any tier shall purchase insurance to cover Business Personal Property of Contractor and its subcontractor(s) of any tier. In no event shall University be liable for any damage to or loss of personal property sustained by Contractor, even if such loss is caused by the negligence of Institution, its employees, officers or agents. Waiver of subrogation language shall be included.

7.3.2.4 Workers’ Compensation. Contractor and its subcontractor(s) of any tier shall maintain all coverage statutorily required of the Contractor and its subcontractor(s) of any tier, and coverage shall be in accordance with the laws of Idaho. Contractor and its subcontractor(s) of any tier shall maintain Employer’s Liability with limits of not less than $100,000 / $500,000 / $100,000.
7.3.2.4 Professional Liability. If professional services are supplied to Institution, Contractor and its subcontractor(s) of any tier, Contractor and its subcontractor(s) of any tier shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Limits of liability shall be not less than one million dollars ($1,000,000).

7-4 PROTECTION OF MINORS

7.4.1 Permittee is responsible for activities and operations of its employees, directors, subcontractors, agents and volunteers. Permittee is responsible for participants in its programs and shall have adequate policies and procedures related to prevention and mitigation of physical/sexual abuse/molestation and harassment.

7.4.2 As applicable, Permittee shall maintain and purchase insurance that covers claims arising from activities sponsored by Permittee, but conducted on premises not owned by Facilities User. Commercial General Liability coverage shall include physical/sexual abuse/molestation and harassment (“abuse”) coverage. Limit of liability for abuse coverage shall be at least $1,000,000 general aggregate. This coverage shall be evidenced on the insurance certificate. Certificates must be sent to University of Idaho Risk Management three (3) weeks prior to commencement of operations.

7.4.3 Failure to satisfy above may result, at the University’s sole discretion, with immediate termination of this contract, without regard to any other termination provision.
The following are University Terms and Conditions which may be part of the Request for Proposals should the University elect to move forward with the procurement process.

1. **THIS ORDER EXPRESSLY LIMITS ACCEPTANCE TO THE TERMS AND CONDITIONS STATED HEREIN. ALL ADDITIONAL OR DIFFERENT TERMS PROPOSED BY CONTRACTOR ARE OBJECTED TO AND ARE HEREBY REJECTED, UNLESS OTHERWISE PROVIDED FOR IN WRITING BY THE PURCHASING MANAGER, UNIVERSITY OF IDAHO.**

2. **CHANGES:** No alteration in any of the terms, conditions, delivery, price, quality, quantity or specifications of this order will be effective without the written consent of the University of Idaho Department of Contracts Purchasing Services.

3. **PACKING:** No charges will be allowed for special handling, packing, wrapping, bags, containers, etc., unless otherwise specified.

4. **DELIVERY:** For any exceptions to the delivery date as specified on the order, Contractor shall give prior notification and obtain approval thereto from the University of Idaho Department of Contracts and Purchasing Services. With respect to delivery under this order, time is of the essence and order is subject to termination for failure to deliver within the timeframe specified in this order.

5. **SHIPPING INSTRUCTIONS:** Unless otherwise instructed, all goods are to be shipped prepaid and allowed, FOB Destination.

6. **ORDER NUMBERS:** Agreement order numbers or purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.

7. **REJECTION:** All goods, materials, or services purchased herein are subject to approval by the University of Idaho. Any rejection of goods, materials, or services resulting from nonconformity to the terms, conditions or specifications of this order, whether the goods are held by the University of Idaho or returned, will be at Contractor’s risk and expense.

8. **QUALITY STANDARDS:** Brand names, models, and specifications referenced in herein are meant to establish a minimum standard of quality, performance, or use required by the University. No substitutions will be permitted without written authorization of the University of Idaho Department of Contracts and Purchasing Services.

9. **WARRANTIES:** Contractor warrants that all products delivered under this order shall be new, unless otherwise specified, free from defects in material and workmanship, and shall be fit for the intended purpose. All products found defective shall be replaced by the Contractor upon notification by the University of Idaho. All costs of replacement, including shipping charges, are to be borne by the Contractor.

10. **PAYMENT, CASH DISCOUNT:** Invoices will not be processed for payment nor will the period of computation for cash discount commence until receipt of a properly completed invoice or invoiced items are received and accepted, whichever is later. If an adjustment in payment is necessary due to damage or dispute, the cash discount period shall commence on the date final approval for payment is authorized. Payment shall not be considered late if a check or warrant is available or mailed within the time specified.

11. **LIENS, CLAIMS AND ENCUMBRANCES:** Contractor warrants and represents that all the goods and materials delivered herein are free and clear of all liens, claims or encumbrances of any kind.

12. **TERMINATION:** In the event of a breach by Contractor of any of the provisions of this Agreement, the University of Idaho reserves the right to cancel and terminate this Agreement forthwith upon giving written notice to the Contractor. Contractor shall be liable for damages suffered by the University of Idaho resulting from Contractor’s breach of Agreement.
13. TRADEMARKS: Contractor shall not use the name, trade name, trademark, or any other designation of the University, or any contraction, abbreviation, adaptation, or simulation of any of the foregoing, in any advertisement or for any commercial or promotional purpose (other than in performing under this Agreement) without the University's prior written consent in each case.

14. OSHA REGULATIONS: Contractor guarantees all items, or services, meet or exceed those requirements and guidelines established by the Occupational Safety and Health Act.

15. TAXES: The University of Idaho is exempt from payment of Idaho State Sales and Use Tax. In addition, the University is generally exempt from payment of Federal Excise Tax under a permanent authority from the District Director of the Internal Revenue Service. Exemption certificates will be furnished as required upon written request by Contractor. If Contractor is required to pay any taxes incurred as a result of doing business with the University of Idaho, it shall be solely responsible for the payment of those taxes. If Contractor is performing public works construction, it shall be responsible for payment of all sales and use taxes.

16. BINDING EFFECT: This Agreement is for the benefit only of the parties hereto and shall inure to the benefit of and bind the parties and their respective heirs, legal representatives, successors and assigns.

17. ASSIGNMENTS: No Agreement, order, or any interest therein shall be transferred by Contractor to any other party without the approval in writing of the Purchasing Manager, University of Idaho. Transfer of an Agreement without approval may cause the rescission of the transferred Agreement at the option of the University of Idaho.

18. WAIVER: No covenant, term or condition, or the breach thereof, shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term, or condition herein. Acceptance by a party of any performance by another party after the time the same shall have become due shall not constitute a waiver by the first party of the breach or default unless otherwise expressly agreed to in writing.

19. FORCE MAJEURE: Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes thereof, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (except for financial ability), shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

20. NO JOINT VENTURE: Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or employment or agency relationship between the parties.

21. PRICE WARRANTY FOR COMMERCIAL ITEMS: Contractor warrants that prices charged to the University of Idaho are based on Contractor’s current catalog or market prices of commercial items sold in substantial quantities to the general public and prices charged do not exceed those charged by Contractor to other customers purchasing the same item in like or comparable quantities.

22. NONDISCRIMINATION: Contractor represents and agrees that it will not discriminate in the performance of this Agreement or in any matter directly or indirectly related to this Agreement on the basis of race, sex, color, religion, national origin, disability, ancestry, or status as a Vietnam veteran. This non-discrimination requirement includes, but is not limited to, any matter directly or indirectly related to employment. Breach of this covenant may be regarded as a material breach of Agreement.

23. UNIVERSITY REGULATIONS: Contractor shall follow and comply with all rules and regulations of the University and the reasonable instructions of University personnel.

24. GOVERNING LAW: This Agreement shall be construed in accordance with, and governed by the laws of the State of Idaho. Any legal proceeding related to this Agreement shall be instituted in the courts of the county of Latah, state of Idaho, and Contractor agrees to submit to the jurisdiction of such courts.
Exhibit A – Request for Certificate of Insurance from Contractor*  
*If bid is awarded to Contractor  
Page 1 of 2

Give this form to your insurance agent / broker

Agents/ Brokers: RETURN A COPY OF THESE INSTRUCTIONS WITH YOUR CERTIFICATE.

Certificates without a copy of these instructions will not be accepted.

Contractor and its subcontractors of any tier (“Insured”) are required to carry the types and limits of insurance shown in this Request, and to provide University of Idaho (“Certificate Holder”) with a Certificate of Insurance within seven (7) days of the signing of this Contract.

- Certificate Holder shall read:
  State of Idaho and the Regents of the University of Idaho  
  Attn: Risk Management – risk@uidaho.edu  
  875 Perimeter Drive MS2433  
  Moscow, ID 83844-2433

- Description area of certificate shall read: Attn: Contract for Services

- All certificates shall provide for thirty (30) days’ written notice to Certificate Holder prior to cancellation or material change of any insurance referred to in the certificate.

- All insurers shall have a Best’s rating of AV or better and be licensed and admitted in Idaho.

- All policies required shall be written as primary policies and not contributing to nor in excess of any coverage Certificate Holder may choose to maintain.

- All policies (except Workers Compensation and Professional Liability) shall name the following as Additional Insured: The Regents of the University of Idaho, a public corporation, state educational institution, and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho.

- Failure of Certificate Holder to demand a certificate or other evidence of full compliance with these insurance requirements or failure of Certificate Holder to identify a deficiency from evidence that is provided shall not be construed as a waiver of Insured’s obligation to maintain such insurance.

- Failure to maintain the required insurance may result in termination of this grant or contract at the Certificate Holder’s option.

- By requiring this insurance, Certificate Holder does not represent that coverage and limits will necessarily be adequate to protect Insured, and such coverage and limits shall not be deemed as a limitation on Insured’s liability under the terms of the grant or contract.

- A copy of this certificate request must be sent with the Certificate.
Required Insurance Coverage. Insured shall obtain insurance of the types and in the amounts described below.

- **Commercial General and Umbrella Liability Insurance.** Insured shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than $1,000,000 each occurrence and in the aggregate. If such CGL insurance contains a general aggregate limit, it shall apply separately by location and shall not be less than $1,000,000. CGL insurance shall be written on standard ISO occurrence form (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, sexual abuse and molestation and liability assumed under an insured contract including the tort liability of another assumed in a business contract. Waiver of subrogation language shall be included. If necessary to provide the required limits, the Commercial General Liability policy’s limits may be layered with a Commercial Umbrella or Excess Liability policy.

- **Commercial Auto Insurance.** Insured shall maintain a Commercial Automobile Policy with a Combined Single Limit of not less than $1,000,000; Underinsured and Uninsured Motorists limit of not less than $1,000,000; Comprehensive; Collision; and a Medical Payments limit of not less than $5,000. Coverage shall include Non-Owned and Hired Car coverage. Waiver of subrogation language shall be included.

- **Business Personal Property and/or Personal Property.** Insured shall purchase insurance to cover Insured’s personal property. In no event shall Certificate Holder be liable for any damage to or loss of personal property sustained by Insured, whether or not insured, even if such loss is caused by the negligence of Certificate Holder, its employees, officers or agents.

- **Workers’ Compensation.** Where required by law, Insured shall maintain all statutorily required Workers Compensation coverages. Coverage shall include Employer’s Liability, at minimum limits of $100,000/ $500,000 / $100,000.

- **Professional Liability.** If professional services are supplied to the Institution, Insured shall maintain Professional Liability (Errors & Omissions) insurance on a claims made basis, covering claims made during the policy period and reported within three years of the date of occurrence. Limits of liability shall be not less than one million dollars ($1,000,000).

*If you have additional questions, please contact:*

University of Idaho - Risk
Phone: 208-885-7177
Email: risk@uidaho.edu