

# **Greater Peoria Sanitary District**

## **Request for Proposal for the Beneficial Use of Biogas**



**Release Date: December 8, 2023**

## **1.0 Introduction**

The Greater Peoria Sanitary and Sewage Disposal District (GPSD) is a unit of local government created to collect regional wastewater and convey that wastewater for treatment in accordance with the laws and regulations of the State of Illinois and the United States Environmental Protection Agency. GPSD currently serves an area of approximately 66 square miles and treats wastewater collected from 716 miles of sewer. Municipalities served include Peoria, Peoria Heights, Bartonville, West Peoria and Bellevue, plus adjacent unincorporated areas. An industrial area located near Mapleton is also served by agreement.

GPSD is issuing this Request for Proposals (RFP) to solicit proposals from experienced developers to design, construct, operate, and maintain systems and equipment to recover, convert, and monetize wastewater derived biogas into renewable natural gas (RNG). The successful party (“Developer”) will be required to finance the improvements necessary to do so as described herein and enter into an agreement with GPSD.

The purpose of this RFP is to identify an experienced Developer with expertise in financing, design-build execution, and operation of biogas processing and production facilities. The Developer shall clearly define in its proposal its Project approach, including work, supply and proposed contract structure.

## **2.0 Request for Proposal Instructions**

### **2.1 Communications:**

Please direct all communications regarding the RFP process to:

Greater Peoria Sanitary District  
Mr. Tim Leach, P.E.  
Director of Engineering  
2322 S. Darst Street  
Peoria, IL 61607-2093  
(309) 272-4840  
tleach@gpsd.org

Developers or their representatives are prohibited from communicating with any GPSD officials, including GPSD staff or directors not listed in Section 2.1 regarding the RFP, from the time the RFP is released until it has been acted upon by the Board of Trustees.

Violation of this provision by a Respondent and/or their agent may lead to disqualification of the Respondent’s Proposal from consideration.

Respondents may submit any questions concerning this RFP in writing or by e-mail to the contact person listed above. Only answers issued by formal written addenda shall be final and binding upon GPSD. No interpretation or clarification of the meaning of any part of the RFP made orally by GPSD to any Respondent will be binding upon GPSD. Questions regarding this RFP must be received prior to the time stated in the RFP schedule to allow for ample time for distribution of answers and/or addenda to this RFP.

## 2.2 RFP Schedule

EVENT	DATE
RFP Released	12/08/2023
Deadline for Submitting Questions	12/20/2023
Written Response to Questions	01/10/2024
Proposal Submission Date Note: Late proposals will not be accepted	01/19/2024 3:00 PM CST
Selection of Successful Developer	02/21/2024

## 2.3 Proposal Submission requirements

Four (4) hard copies and one (1) digital copy (USB flash drive) of the RFP response must be submitted to the designated point of contact listed in Section 2.1 prior to the proposal submission date and time listed in Section 2.2. Proposals shall be as brief as possible; extensive submittal of marketing materials and similar documents will not be favorably viewed. Late submittals will not be evaluated. The responses will be distributed to the review team for review and subsequent recommendation. Faxed /or emailed proposals will not be accepted.

## 3.0 Project Description

GPSD operates a municipal wastewater treatment plant (WWTP) with a daily average flow of 20 million gallons per day (MGD). The WWTP is located at 2322 South Darst Street, Peoria, IL. The facility has a total of four anaerobic digesters. The digesters receive primary sludge and thickened waste activated sludge from the WWTP and produce biogas through the anaerobic digestion process. A portion of the digester gas is used as fuel in hot water boilers to heat the digesters and various facility buildings. The remaining digester gas is flared. Over the last two years the WWTP has produced between 68,000 CF – 88,000 CF of biogas from the anaerobic digestion of the WWTP sludge.

The intent of this RFP is to solicit qualifications and proposals from qualified and competent RNG developers, and to select one Developer to form a partnership with GPSD that is mutually beneficial and maximizes the value of biogas.

### 3.1 Scope of Work

The scope of work pursuant to this RFP includes the following provisions, and any other provisions agreed to during the agreement negotiation process. GPSD and the Developer shall perform, but are not limited to, the following to ensure a collaborative and productive partnership:

### **3.1.1 Proposed GPSD Responsibilities**

- 3.1.1.1 WWTP Operations: Maintain control of the operation and maintenance of the anaerobic digesters and process boilers. This will include maintaining sludge feed and digester operation to maximize methane gas collection. Data collected for the operation of the digesters will be shared with the Developer.
- 3.1.1.2 Site Access: Provide the Developer with an identified area for installation of its equipment required for the cleaning of Biogas, as well as 24-hour and 7-day a week access to the site and utility easements on property per a proposed ground lease agreement or equivalent.
- 3.1.1.3 Drawings, Operating Data, and Analytical Data: Provide available biogas flow and quality data, building site, architectural, structural, mechanical, electrical, plumbing, telecommunications, fire protection, security drawings and specifications to the Developer.
- 3.1.1.4 Compliance: Maintain current National Pollutant Discharge Elimination System (NPDES) permits and assist Developer with permits as needed for construction and operation of the Project.

### **3.1.2 Proposed Developer Scope of Work and Responsibilities**

- 3.1.2.1 Financing: The Developer is required to develop a Project feasibility study for its own needs and shall secure financing prior to the execution of a final contract with GPSD.
- 3.1.2.2 Gas Upgrading Equipment: Purchasing, installing, owning, operating, and maintaining the equipment to convert raw Biogas to RNG. The Developer is required to clean the gas to pipeline specifications as established by Ameren. The Developer shall be responsible for obtaining access to the Ameren natural gas pipeline and for paying all up-front and ongoing costs assessed by Ameren.
- 3.1.2.3 Site Improvements: Make site improvements that are necessary for the installation of the Gas Upgrading Equipment. Site improvements include, but are not limited to, process piping and utility relocations and earthen fill. GPSD estimates that 15,000 CY of earthen fill will be required. Site improvements shall be coordinated with GPSD's levee improvement plan.
- 3.1.2.4 System Operation: Daily operation of the gas cleaning system and data management. GPSD shall have access to view data related to RNG production, system pressures and operations, and energy usage, but shall not have the ability to make adjustments without authorization from the Developer.
- 3.1.2.5 System Expansion: Coordinate with GPSD to identify and implement optimizations and expansions to the WWTP.
- 3.1.2.6 Gas Sales: Establish transportation and delivery agreements for the RNG. The Developer retains the rights of the environmental attributes of the RNG.
- 3.1.2.7 Biogas Royalty: Provide GPSD with an agreed upon revenue share from the sale of RNG.

- 3.1.2.8 Compliance: Ensuring operations meet federal, state and local laws, regulations and codes, including, but not limited to, compliance with NEC, NFPA 820, and other NFPA requirements. The Developer is responsible for acquiring all permits for its operations and activities as required.
- 3.1.2.9 GPSD Ordinance No. 579: All work shall be in compliance with GPSD Ordinance No. 579, Employment of Trained Workers. A copy of GPSD Ordinance No. 579 can be found at <https://www.gpsd.org/ordinances--regulations.html>

## **4.0 Proposal Requirements**

### **4.1 Minimum Qualifications**

Developers who do not meet the following criteria shall be deemed non-responsive, at the sole discretion of GPSD.

- 4.1.1 Within the past 5 years prior to issuance data of this RFP, Contactor must have directly entered into a Public Private Partnership Agreement with a governmental entity for the development of renewable natural gas infrastructure.
- 4.1.2 Developer may be a single entity or a legally formed joint venture between two or more firms that demonstrate the range of experience required. Due to the long-term nature of the Contract, a simple teaming agreement between the Developer and other firms does not demonstrate the required experience to enter into a Contract with GPSD.
- 4.1.3 The Developer must Demonstrate financial security either through demonstrating cash balance equivalent to 50% of expected capital contributions or letter of support from financial institution demonstrating willingness to fund 100% of capital requirements upon selection on acceptable terms.

### **4.2 Required Proposal Content**

Proposals must contain, at the minimum, the following information and shall be organized in the following order:

- 4.2.1 Letter of Transmittal: The letter of transmittal should briefly express Developer's interest in the Project, main point of contact, and the main location from which Developer plans to deliver the project(s). Provide a clear and concise statement as to how Developer will assist GPDS to accomplish its objectives.
- 4.2.2 Minimum Qualifications: Demonstrate compliance with the requirements established in Section 4.1.
- 4.2.3 Developer Profile: Developer name, physical address, phone number, email address and contact person. Description of the prospective private entity or group of entities. Provide the names, titles, and roles of your team that will negotiate a final agreement with GPDS.
- 4.2.4 Project Understanding and Delivery Approach: Provide Developer's understanding of the work, critical aspects, schedule, and approach to the project.
- 4.2.5 Technical Approach: Provide a description of the proposed system for beneficial use of biogas including the following:
  - 4.2.5.1 Proposed technology for processing the biogas to RNG
  - 4.2.5.2 Required space on site for the facility
  - 4.2.5.3 Proposed site layout and location
  - 4.2.5.4 Process flow diagram
  - 4.2.5.5 Design basis including maximum and average biogas flows, system turndown, pressure, raw biogas constituent assumptions, and RNG quality
  - 4.2.5.6 The point of connection for biogas
  - 4.2.5.7 System utility requirements
  - 4.2.5.8 Summary of facility operating strategy and staffing plan
- 4.2.6 Profile of Key Staff: Provide identification and brief description of key staff that will be assigned to this Project. Include in the staff descriptions their technical training, technical abilities, experience with other projects of this nature, and their proposed responsibilities for the Project.
  - 4.2.6.1 Organization chart or Project Team matrix that identifies the Developer's Project Team, their responsibilities and qualifications and all sub-consultants to be utilized.
- 4.2.7 Experience on Similar Projects: Provide your company's background and experience in the following areas: Experience with brokering the sale of the RNG. Experience in working with state and local government and public-private sector collaborations.
- 4.2.8 Financial Resources: The financial viability of the Developer shall be demonstrated to provide assurance that the Developer, as well as any firm(s) involved in the Proposal, has adequate financial strength. Each proposal must include the following financial information:
  - 4.2.8.1 Current audited financial statements, including balance sheet, income statement, and statement of cash flows for each party.
  - 4.2.8.2 Describe the financing plan for this Project and the proposed financing partners.
  - 4.2.8.3 Indicate whether Developer has a comfort letter or alike from a creditable investor indicating that the funds are available.

- 4.2.8.4 Otherwise demonstrate Developer’s financial commitment, guarantees and resources to fund this project immediately after Board approval.
- 4.2.9 Recommended P3 Structure: List and describe recommendations for the P3 agreement. Include the following:
  - 4.2.9.1 Length of agreement
  - 4.2.9.2 Key terms and conditions
  - 4.2.9.3 Revenue sharing plan
  - 4.2.9.4 Operating requirements
  - 4.2.9.5 Anticipated timeline from “Notice to Proceed” (NTP) to purchasing biogas from GPSD
- 4.2.10 Other: Proposers may include other pertinent/additional information. Please note GPSD does not welcome large volumes of generic boilerplate information about Proposer’s firm and may lower scores of the proposer for submitting irrelevant and boilerplate information during proposal evaluations.
- 4.2.11 Attestation: The proposal must be signed by an officer of the entity that is making the proposal, attesting that:
  - 4.2.11.1 The individual signing the proposal has the authority to make the proposal
  - 4.2.11.2 The contents of the proposal are truthful and accurate
  - 4.2.11.3 The proposal is valid for 180 days
  - 4.2.11.4 Name and title of the individual must be shown below the signature, along with the date of the signature

## **5.0 Selection Process**

To determine the award, GPSD will use an evaluation method that will enable GPSD to award a contract to the Developer offering services and experience that represents the best overall value to GPSD and is otherwise deemed to be in the best interests of GPSD.

GPSD may schedule interviews and/or site visits with a limited number of Developers, if needed. All Developers will be notified regarding the results of the selection process.

### **5.1 Evaluation Criteria**

Proposals will be reviewed to determine if the minimum qualifications as described in Section 4.1 of this RFP are met. Proposals not meeting minimum qualifications will be disqualified from further consideration. Award of contract shall be made to the most responsible and responsive proposal from a company whose proposal offers the greatest value to GPSD. All submittals will be reviewed based on written responses to the RFP, including the following criteria:

- 5.1.1 Developer's Qualifications
- 5.1.2 Past P3 Contact Experience
- 5.1.3 Key Team Members
- 5.1.4 Project Delivery Approach
- 5.1.5 Technical Approach
- 5.1.6 Requested Information Included and Thoroughness of Response
- 5.1.7 Clarity and Brevity of the Response
- 5.1.8 Financial Ability to Fund the Development and Access to Capital
- 5.1.9 RNG Marketing Experience
- 5.1.10 Revenue Sharing Model and Anticipated Revenue to GPSD
  
- 5.1.11 Other Factors Deemed Important

All responsive proposals will be evaluated in accordance with the evaluation factors specified above. GPSD will solely perform all proposal reviews and will select the winning Proposer(s); GPSD will provide contract administration and support immediately after the winning Developer is selected.

GPSD reserves the right to make a Contract award without written and/or oral discussions with the Proposers and without an opportunity to submit Best and Final Offers when deemed to be in GPSD's best interests. Contract award, if any, shall be made by the GPSD to the responsible Developer whose proposal best meets the requirements of the RFP, and is most advantageous to GPSD, taking into consideration price and the other established evaluation factors.