



DATE: September 2, 2015

SUBJECT: **Design-Build Contract with a Guaranteed Maximum Price (DB w/ GMP)
Request for Qualifications**
Combined Heat and Power Plant,
Milton S. Hershey Medical Center

TO: Design-Build Teams:

Penn State Hershey Medical Center intends to add a Combined Heat and Power unit at the facility's Central Plant. The Central Plant building structure will be expanded to accommodate the new CHP.

An Engineering Study has been completed to identify a CHP system that will best fit the parameters of PSHMC's thermal and electrical demands. A 6 Mega-Watt combustion turbine has been identified as the system best suited for PSHMC. This capacity may be re-evaluated during program validation.

The project objectives include:

1. Design and Build a 6 MW Combined Heat and Power System
2. Provide a CHP system, a waste heat recovery boiler, duct burner and natural gas compressor.
3. Include Black Start capability for the CHP system.
4. Maintaining a strong ROI is a critical component to the project.
5. Provide redundancy to hospital thermal and electrical systems.
6. Reduce the carbon footprint of the campus.

The Design-Build with GMP delivery method has been selected for this project. The initial phase for preconstruction/design will include the professional design services, CM preconstruction services and the preparation and submission of the GMP. This will be followed by the construction phase for actual construction work. Early involvement of key Design-Assist trade contractors is recommended and shall be procured through a best-value selection process. The remaining construction trade packages will be required to be competitively procured. If you plan to self-perform any of the construction work please note this in your submission.

The total project budget, including all equipment and soft costs is \$19.1M with \$15.2M in construction costs and \$3.9M in soft costs including project contingency.

Design is expected to start upon execution of the pre-construction contract (November 2015). Construction completion is expected by December 2017.

If you are interested in submitting a design-build proposal for this project, please provide the following information:

1. Clearly identify the proposed design and construction entities that make up your team and describe their legal structure (ie: joint venture, etc.)

2. Include a statement detailing your team's unique qualifications for designing and constructing facilities of this type and scope. Include a sampling of your previous relevant project experience. Clearly identify who from your team is responsible for the examples shown.
3. Please discuss some of the key issues that, in your opinion, are important in the design and construction of this project.
4. A statement outlining your design-build approach for this particular project and the added value to the project as a result of your team's processes.

Please submit to my office ten (10) hard copies of your response by **Noon on September 21, 2015** and please limit your submission to five (5) single sided pages. Please include the name and email address of your team's contact individual for this project. We would also like to have a pdf version of the submission sent electronically to dxz3@psu.edu. If you have any questions regarding this request please contact Keith Sunderman, the Project Manager at 717-533-2134 or krs24@psu.edu.

The University will use a qualifications based selection process with long list, short list and interviews. The Screening Committee will select a long list of approximately ten (10) teams from the respondents to this letter with the results and an RFP posted to our web site by **October 2, 2015**. The RFPs will be due in my office, at **Noon on October 22, 2015**. Three teams will be chosen from the RFP respondents by **November 2, 2015** and results posted to our web site. The Selection Committee will interview the three teams the week of **November 9, 2015**. The results of the interviews will be announced at the Board of Trustees meeting on **November 20, 2015** and immediately posted to our web site.

Sincerely,

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cc: Screening Committee
H. F. Stryker