

NOTICE OF INTENT TO AWARD

AUTHORIZED BY: M. Wendel, CPPO

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Agenda

August 13, 2013 - Regular Meeting

Category

F. REGULAR

Sub-Category

Financial Management

Approval Path

FM (Director)

Subject

Energy Performance Contracting Services for Manatee County Jail

Briefings

Briefing Provided Upon Request

Contact and/or Presenter Information

Charlie Bishop, Director of Property Management x3004

Melissa Wendel, CPPO, Purchasing Official x 3056

Action Requested

Approval of the Energy Performance Contracting Services Agreement No. 11-3251BG with Ameresco, Inc. of Tampa, Florida for a total contract cost of Seven Million, Four Hundred Sixty-Eight Thousand, Twenty dollars (\$7,468,020.00) and acceptance of the Investment Grade Technical Audit.

Adoption of Resolution R-13-140 authorizing a Bank Loan from Bank of America to Manatee County in the form of a revenue note secured by a covenant to budget and appropriate non-ad valorem revenues, such note to be in an amount not to exceed \$6.5 million, and delegating authority to take all actions necessary to close the loan.

Adoption of Budget Resolution B-13-006, appropriating loan proceeds.

Enabling/Regulating Authority

Manatee County Code of Laws

Florida Statute 489.145, Guaranteed Energy, Water and Wastewater Energy Savings Performance Contract

Florida Statute 287.055, Consultants Competitive Negotiation Act

Florida Statute 125, County Government

Background Discussion

Energy Performance Contracting is a method to obtain and finance energy improvement projects and services and includes detailed facility analyses, project design and engineering, equipment acquisition, construction management, equipment repairs and upgrades, project financing and long term savings guarantees using a design-build approach.

With an Energy Performance Contracting Services Agreement the contractor, known in the industry as an ESCO, guarantees that a specified amount of savings will be achieved. The savings are generated from the increased efficiency of the new equipment and materials that are installed. The main component of the Agreement is the ability to take advantage of tax exempt financing to accomplish the project with a guarantee from the ESCO that savings achieved by the project will pay off the amount financed.

A Request For Proposal (RFP) was issued in accordance with the provisions of Florida Statute 489.145, Guaranteed Energy, Water, and Wastewater Performance Savings Contracts, and Florida Statute 287.055, Consultants Competitive Negotiation Act, with the intent of soliciting proposals from qualified ESCO's which could perform an Investment Grade Energy Audit (Audit) and through an Energy Performance Contracting Services Agreement, provide comprehensive energy management and energy related capital improvement services for various County buildings, structure and facilities.

The RFP, which was advertised in the Bradenton Herald and Tempo News and also released electronically via the websites of Manatee County, Manatee County Chamber of Commerce, and DemandStar, resulted in six (6) responses from the following firms:

Ameresco, Inc. - Tampa, FL

FPL Services, LLC - West Palm Beach, FL

Energy Systems Group - Clearwater, FL

BGA, Inc. - Tampa, FL

Trane, Inc. - Tampa, FL

Siemens - Tampa, FL

The responses to the RFP provide written information on corporate background, technical qualifications of the ESCO, project approach, past projects, and client references. An Evaluation Committee was formed to examine the responses and provide recommendations to the County Administrator.

The Evaluation Committee included Charlie Bishop, Director of Property Management; Jeff Streitmatter, Project Management Division Manager; and, Blair Getz, Contract Negotiator – Purchasing Division. The committee, on three occasions and in compliance with Sunshine Law requirements, met to review and consider the responses, to conduct oral interviews, and to deliberate and recommend which firms the County should negotiate with. The Evaluation Committee identified Ameresco as the ESCO most qualified to perform an Investment Grade Technical Audit (Audit) of the Manatee County Jail and Stockade to evaluate energy improvements and repairs needed and perform a detailed analysis of the opportunities for energy savings. The Manatee County Jail and Stockade, because of its high annual energy and water use, is an excellent candidate for an Energy Performance Contracting Services Agreement.

The County Administrator authorized negotiations with Ameresco, Inc., for the Energy Performance Contracting Services (Audit) for the Manatee County Jail and Stockade. Negotiations resulted in a not to exceed audit cost of \$94,220.00. The terms of the Audit Agreement require that the County and Ameresco negotiate an Energy Performance Services Contracting Agreement under which the ESCO will design, install, construct, and implement the ECMs. If the County and ESCO negotiate and execute an Energy Performance Services Contracting Agreement, no payment shall be due for the Audit phase. Conversely, the terms of the Audit Agreement also specify there is no obligation to enter into an Agreement if the County and Ameresco are unable to agree to terms of such Agreement; however, in that case the County would be obliged to compensate the ESCO for the contracted cost of the Audit.

Ameresco presented an Audit which identified recommended improvements with the highest potential of saving energy, known as Energy Conservation Measures (ECMs). The ECMs recommended by Ameresco to be designed, acquired, fabricated, and installed include:

ECM 1 – Outdoor Lighting Jail and Stockade

ECM 2 – Domestic Water Conservation

ECM 3 – Institutional Water Conservation Controls

ECM 4 – Chiller Plant Retrofit and Modification

ECM 5 – HVAC Controls and EMS

ECM 6 – AC Replacement at Stockade

ECM 7 – Power Transformers Replacement

ECM 8 – Chiller Plant Emergency Power

ECM 9 – Air Handling Units Replacement

Under the statutory scheme authorizing energy saving performance contracts, the energy audit forms the basis for negotiating the scope of the Energy Performance Contracting Services Agreement. The County and ESCO determined, after analyzing the audit, to implement all ECMs in order to effectively reduce energy and/or water consumption, upgrade energy related capital equipment, improve building operation and maintenance, reduce recurring costs, and establish control over demand on energy resources.

The Energy Performance Contracting Services Agreement requires that the ESCO perform an annual reconciliation, known as savings measurement and verification. ESCO is liable for any shortfalls in annual savings in the event guarantees are not met. Excess savings from prior years cannot be used to cover shortages in subsequent years.

Pursuant to the installation of the ECM’s and the maintenance, savings measurement and verification services, Ameresco has solicited offers from financial institutions to provide the needed funding. The various offers were analyzed by the County’s staff and financial advisor, MBS Capital, and found to be competitive. The bank financing option was also compared to other potential funding alternatives such as revenue bonds and bank financing was found to be the best option for the County. The financing resolution has been reviewed by the County Attorney’s Office and approved as to form and legal sufficiency.

In addition to the loan proceeds appropriated in the budget amendment, there is a capital contribution requested from the County in order to fully fund the Agreement. The capital contribution of approximately \$1.5 million is already budgeted pursuant to the FY 2013-2017 Capital Improvement Plan (CIP).

County Attorney Review

Formal Written Review (Opinion memo must be attached)

Explanation of Other

Reviewing Attorney

Eschenfelder

Instructions to Board Records

Original to Board Records and Ameresco, Inc, 111 Speen Street, Framingham, MA 01701.

Copy to Charlie Bishop (charlie.bishop@mymanatee.org), Property Management, and Melissa Wendel (melissa.wendel@mymanatee.org), Purchasing Division.

Cost and Funds Source Account Number and Name

Budget Resolution 13-006; Resolution 13-140; Obj Code: 384002 - Loan Proceeds NTE \$6.5M.

Amount and Frequency of Recurring Costs

N/A

Attachments: (list)



[rls response.pdf](#)



[Ameresco County of Manatee \(liability\) Cert V1.pdf](#)

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Melissa Wendel - ()
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