Presented by:
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AGENDA

- Existing Conditions
- Why Performance Contracting?
- The Process
- Results
- Tips

"Kids Come First"
Energy Project 1993-2003

Original Performance Contract
- 22 Bldgs, 450,000 sq ft
- Mechanical Replacements - Two 300 Ton chillers, Two 300 Ton Cooling Tower, Controls on Three Boilers
- Guaranteed Savings: $1,614,720 for contract term
- Actual Savings: $2,111,410 for contract term
- Replaced aging equipment
- Improved overall operational efficiency

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Existing Conditions

- Original PC contract addressed older part of the campus
- Newer part of campus began to have issues:
  - 600 Ton Chiller past life expectancy
  - Two 150 HP Boilers need replacement
- End of successful energy contract

"Kids Come First"
### Why Performance Contracting?

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<thead>
<tr>
<th>Goals</th>
<th>Challenges</th>
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<tr>
<td>• Replace Outdated Equipment</td>
<td>• Overcoming a declining budget</td>
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<tr>
<td>• Evaluate and Improve Facility Conditions</td>
<td>• Inability to obtain capital for facility improvements</td>
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<td>based on current use</td>
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<td>• Improve efficiency</td>
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<td>• Maintain Budget Integrity</td>
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<th>Risks</th>
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<td>• Budgets not getting approved</td>
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<td>• Failure of equipment</td>
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Why Performance Contracting?

- Proven Process - existing contract a success
- Resources of an ESCO
Process Steps

- Preliminary Survey
- Approval to initiate RFP Process
- RFP Process
  - Advertise
  - Selection Committee
  - Pre-Bid Meet/Walk
  - ESCO Evaluation
  - ESCO Selection
  - Select Project Components
  - Award Final Contract

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Key Process Steps

- Selection Committee Members
  - Mechanical, Financial, Contractual, Management Experience

-ESCO RFP Evaluation
  - Score every Component
  - Evaluate comprehensive and credibility of recommendations
  - More emphasis on Qualifications and less on costs

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Key Process Steps

- Selecting Project Components
  - Utilize ideas generated from all proposals and all of your resources
  - Include solutions for critical issues throughout your organization (take care of the thorns)
  - Include cost benefit analysis for evaluation to ensure feasibility of overall project

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Results

- Lighting Upgrades
- Water Conservation
- New 800 Ton Chiller and SS Cooling Tower
- Domestic HW Conversion
- Laundry Boiler Upgrade
- Humidistat Installation

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Results

- Administrative Tie-In
- Building 9 Ductwork Modification
- Energy Management System Upgrade
- Vending Miser
- Dishroom Exhaust

"Kids Come First"
FINANCING DETAILS

Financing Provided by:
Department of Natural Resources Energy Fund

Capital Investment: $2,390,000
Total Savings: $4,421,960

Project Term:
15 Years

"Kids Come First"
Results

- Capital Improvements and energy savings
- Improved learning environment
- Elimination of thorns
- Transfer focus of maintenance staff to preventive maintenance
- Staff Training

"Kids Come First"
Tips

- Don’t tie yourself down- make the RFP broad
- Gain internal agency support by performing visual and quick energy conservation measures first
- Get your facilities services staff involved and listen to their recommendations in developing the project scope
- Conduct weekly construction meetings and challenge the construction schedule
- Assign a staff member to oversee each project component

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