

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: Tukwila Pool MPD Board President

FROM: Rick Still, Parks and Recreation Director *RS*
Robert Eaton, Project Coordinator *RE*

DATE: August 15, 2012

SUBJECT: Adopt ESP and Sign Construction Documents

ISSUE

Adopt the Energy Services Proposal (ESP) and authorize the Board President to sign the necessary documents with the Department of Enterprise Services (DES) to implement the ESP through capital projects construction services.

FINANCIAL IMPACT

This is a commitment of funds for approximately \$1,666,666. McKinstry has set a guaranteed maximum price for 19 of the items on the CIP list totaling \$1,386,717. The additional expense of \$279,949 (to make the project total of \$1,666,666) are five items that McKinstry would not guarantee since the number on the CIP list does not reflect their researched guaranteed max price for those five items. If any of those five items (or allotments) end up sending the project over the \$1,666,666 then the MPD would be financially responsible for them. The reduced cost allocated for these five items was determined by staff through reduced scope or actual quotes from specific contractors for those items.

BACKGROUND

At the May Board meeting, it was agreed to adjust the project timeline and Energy Savings Performance Contracting process as necessary to accommodate the Department of Commerce (DOC) grant application timeline. In efforts to be more shovel ready, a design only contract was executed to facilitate keeping the project moving forward and aid as a tool in the grant application. Since then, as discussed earlier this evening, a letter was received from DOC stating that the grant has been awarded and contract papers are forthcoming. Attachment 1 is the ESP for the Tukwila Pool that was distributed a week early for Board review.

DISCUSSION

The next two steps in the Energy Saving Performance Contracting (ESPC) project process are 1) to adopt the ESP and 2) authorize the Board President to sign the necessary documents with the Department of Enterprise Services (DES) to allow McKinstry to implement the capital improvement items. This will transition the project from the current status of "Design Only" to actual construction. The forms requiring the Board President's signature are standard to the ESPC process and are the same as what the City of Tukwila just did for the Lighting Retrofit project last year. Examples of the forms from the City of Tukwila Lighting Project are attached. The actual forms are forthcoming from DES. The forms are as follows:

- 1) Amendment to the Interagency Agreement (IAA) – this will update the IAA to reflect new information from the ESP since the IAA was originally executed prior to the ESP's completion (Attachment 2).
- 2) Funding Approval Form (Attachment 3) – this will authorize an amendment between the state DES and McKinstry for professional services.
- 3) Funding Approval Form (Attachment 4) – this will authorize a construction contract between the State DES and McKinstry to implement the ESP.

Authorizing the Board President to sign the above mentioned documents the MPD Board is approving McKinstry to move forward with construction and implementation of the ESP and is a commitment to fund the entire construction project at \$1,666,666. The construction and closure timeline specifics are still being nailed down but will begin early November 2012 with plans to re-open February 1, 2013 tentatively.

RECOMMENDATION

- 1) Move to adopt the Energy Services Proposal for the Tukwila Pool.
- 2) Authorize the Board President to sign the Interagency Agreement Amendment, Funding Approval Form for Professional Services, and the Funding Approval Form for a Construction Contract between the State DES and McKinstry.

ATTACHMENTS

1. Energy Services Proposal (ESP) – (distributed last week)
2. Amendment to the Interagency Agreement – (example copy)
3. DES Funding Approval Form for Professional Services – (example copy)
4. DES Funding Approval Form for a Construction Contract – (example copy)



State of Washington
Department of General Administration
Facilities Division

Engineering & Architectural Services
210 11th Avenue, SW • PO Box 41012 • Olympia, WA 98504-1012
(360) 902.7272 • FAX (360) 753.2848

March 10, 2011

Ameresco Quantum, Inc.
222 Williams Avenue South, Suite 100
Renton, WA 98057

RE: ESCO Contract No. 2011-188 G (1-1)
Lighting Upgrade
City of Tukwila

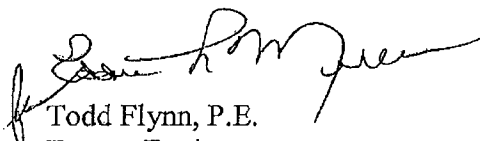
We have enclosed the following documents:

1. Energy Service Company Contract with payment and performance bond.
2. Certificate of Insurance form and memo for your insurance agent.
3. Retainage investment form.

Please be advised that the General Conditions for Washington State Facility Construction require that the above listed documents be returned to Engineering & Architectural Services (E&AS) within 15 days of receipt, or E&AS may terminate the award of this ESCO contract. Transmittal of this ESCO contract for signature and request for bond and insurance does not obligate E&AS to proceed with award. This ESCO contract is not binding upon the State of Washington until it has been duly signed by E&AS' contracting officer.

Should you have any questions about this contract package, please call Eddie Miller, Contracts Specialist, at (360) 902-7219.

Sincerely,


Todd Flynn, P.E.
Energy Engineer

TF:em

Enclosures

cc: Brandon J. Miles, City of Tukwila



ESCO Contract No. 2011-188 G (1-1)
Project Lighting Upgrade
Agency City of Tukwila
Date March 10, 2011

STATE OF WASHINGTON
ENERGY SERVICE COMPANY (ESCO) CONSTRUCTION CONTRACT
For the FACILITIES DIVISION, ENGINEERING & ARCHITECTURAL SERVICES

This Energy Service Company (ESCO) Construction Contract, made and entered into this 10th day of March, 2011, shall be the agreed basis of performing the following work by and between the State of Washington, City of Tukwila acting through the Department of General Administration, Facilities Division, Engineering & Architectural Services, hereinafter referred to as the Owner, and

Ameresco Quantum, Inc.
222 Williams Avenue South, Suite 100
Renton, WA 98057
Telephone (206) 522-4270
Fax (425) 687-3173

hereinafter referred to as the ESCO or Contractor.

WITNESSETH: Whereas the parties hereto have mutually covenanted and by these presents do covenant and agree with each other as follows:

FIRST: The said ESCO agrees to furnish all permits, material, labor, tools, equipment, apparatus, facilities, etc., necessary to perform and complete in a workmanship like manner the work called for in the attached Scope of Work, Energy Services Proposal dated February 9, 2011, for:

Energy Services Authorization No. 2011-188 A (1)
Master Energy Services Agreement No. 2009-151 F (6)

Audits and Proposals for this project were prepared by the ESCO according to the terms of the Contract Documents which include, but are not limited to, the Master Energy Services Agreement, Energy Services Authorization(s), the accepted Proposal, *Conditions of the Master Energy Services Agreement, Instructions to Bidders/General Conditions/Supplemental Conditions For State Facility Construction, EPC Modifications to Instructions to Bidders/General Conditions/Supplemental Conditions For State Facility Construction, Addenda, Specifications, Drawings, Bond, and this Construction Contract.*

SECOND: Time of Completion: The work to be performed under this contract shall commence as soon as the ESCO has been officially notified to proceed and shall be substantially complete within 120 consecutive calendar days after the date of Notice to Proceed.

THIRD: In consideration of the Performance of the Work, herein contained on the part of the ESCO, the Owner hereby agrees to pay the ESCO for said work completed according to the Contract Documents, for not more than the sum of \$107,342.00, plus 9.5% state sales tax consisting of the following:

ESCO Contract Cost \$ 107,342.00

The ESCO shall bond this contract at 100% of the construction contract cost, plus Washington State sales tax, per Section 13 of the Conditions of the Energy Services Agreement. The construction value is a guaranteed maximum not-to-exceed cost and final payment to the ESCO shall be reconciled to reflect the actual installed cost provided it does not exceed the guaranteed maximum cost.

FOURTH: ESCO payments to subcontractors and materialmen shall not be contingent upon the ESCO receiving payment from the Owner. Unless otherwise agreed upon, payment to the ESCO shall be made only after completion of the energy efficiency measure(s) and the ESCO has issued a Notice of Commencement of Energy Savings and the Owner has accepted such Notice.

IN WITNESS WHEREOF: The said Department of General Administration, Facilities Division, Engineering & Architectural Services, has caused this ESCO Construction Contract to be subscribed in its behalf, and the said ESCO has signed this ESCO Construction Contract the day and year first above written.

ESCO:
Ameresco Quantum, Inc.

Owner:
Facilities Division
Engineering & Architectural Services

By _____
Name _____
Title _____
Date _____

By _____
Name Roger Wigfield, P.E.
Title Energy Program Manager
Date _____

Washington State Contractor's License No. QUANTED016DW

Federal Tax ID No. 91-1956734

UBI Number 601 938 324

MWBE Certification No. _____

E-mail address: moconnor@quantum-engr.com

March 10, 2011

SCOPE OF WORK

ESCO Contract No. 2011-188 G (1-1)

Lighting Upgrade
City of Tukwila

Furnish and install the energy conservation measures, including any and all necessary ancillary equipment, as described in the City of Tukwila Energy Services Proposal dated February 9, 2011.



State of Washington

Department of General Administration

Facilities Division

Engineering & Architectural Services

210 11th Avenue, SW • PO Box 41012 • Olympia, WA 98504-1012

March 10, 2011

(360) 902.7272 • FAX (360) 753.2848

RETAINAGE INVESTMENT

ESCO Contractor	Ameresco Quantum, Inc.
ESCO Contract No.	2011-188 G (1-1)
Description	Lighting Upgrade
Client Agency	City of Tukwila

Pursuant to R.C.W. 60.28, you are required to exercise your option, IN WRITING, on whether or not monies reserved from the amounts due you on the above contract shall be placed in escrow. You are therefore directed to complete and return this form with the signed copy of the above contract to the Facilities Division, Engineering & Architectural Services.

Should you desire to have the retained monies invested, it will then be necessary that you enter into an escrow agreement with a bank, trust or savings and loan company, and the above Client Agency.

This form will be transmitted to the Client Agency for further action in preparing the escrow agreement.

ENERGY SERVICES CONTRACTOR'S OPTION

_____ I do not request retainage on the above contract to be invested.

_____ I hereby request retainage on the above contract be invested.

_____/Date_____
Signature

Title





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March 10, 2011

TO: Brandon J. Miles, City of Tukwila
FROM: Eddie Miller, Contracts Specialist, (360) 902-7219
RE: Authorization No. 2011-188 A (1)
Lighting Upgrade

Ameresco Quantum, Inc.

SUBJECT: Funding Approval

The Department of General Administration, E&AS, requires funding approval for the above referenced contract document(s). The amount required is as follows:

Design and Implementation of Energy Conservation Measures	\$ 27,470.00
WSST Tax (9.5%)	\$ <u>2,609.65</u>
Total	\$ 30,079.65

In accordance with the provisions of RCW 43.88, the signature affixed below certifies to the Facilities Division, Engineering & Architectural Services that the above identified funds are appropriated, allotted, and that the using/client agency bears the liability for any issues related to the funding for this project.

By _____
Name Title Date

Please sign and return this form to E&AS. If you have any questions, please call me.






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March 10, 2011 (360) 902.7272 • FAX (360) 753.2848

TO: Brandon J. Miles, City of Tukwila
FROM:  Eddie Miller, Contracts Specialist, (360) 902-7219
RE: Contract No. 2011-188 G (1-1)
Lighting Upgrade
Ameresco Quantum, Inc.
SUBJECT: Funding Approval

The Department of General Administration, E&AS, requires funding approval for the above referenced contract document. The amount required is as follows:

ESCO Contract Amount	\$	107,342.00
Sales Tax (9.5%)	\$	10,197.49
Contingency Amount (with Tax)	\$	<u>5,784.86</u>
Total	\$	123,324.35

In accordance with the provisions of RCW 43.88, the signature affixed below certifies to the Facilities Division, Engineering & Architectural Services that the above identified funds are appropriated, allotted, and that the using/client agency bears the liability for any issues related to the funding for this project.

By _____
Name Title Date

Please sign and return this form to E&AS. If you have any questions, please call me.

