

INTERAGENCY Amendment*Department of Enterprise Services*

Date: October 25, 2012
 Agreement No: 2010-ERG-572
 Amendment No: 1 - 3rd Revision

**Interagency Agreement Between the
 Department of Enterprise Services
 and the
 City of Olympia**

The parties to this Agreement, the Department of Enterprise Services, Facilities Division, Engineering & Architectural Services, hereinafter referred to as "DES", and the City of Olympia, hereinafter referred to as the "CITY", hereby amend the Agreement as follows:

1. Statement of Work

DES shall furnish the necessary personnel and services and otherwise do all things necessary for or incidental to the performance of the work set forth in Attachment "A-1" and Attachment "C-1", attached hereto and incorporated herein by reference. Unless otherwise specified, DES shall be responsible for performing all fiscal and program responsibilities as set forth in Attachment "A-1" and Attachment "C-1".

The following projects, set forth in detail in Attachment "D" are hereby authorized:

1. 1 Energy Conservation Measures projects outlined in Quantum Engineering & Development, Inc., City of Olympia Energy Services Proposal dated December 4, 2009.
1. 2 EECBG Project as outlined in Quantum Engineering & Development, Inc., City of Olympia Energy Services Proposal dated December 4, 2009.

All future projects shall be authorized by Amendment to this Agreement

Attachment "A-1" Scope of Work Energy/Utility Conservation Projects Management Services is revised to update the Statewide Energy Performance Contracting Program Master Energy Services Agreement number from Agreement No. 2009-151 to Agreement No. 2011-169, attached hereto and incorporated herein by reference.

3. Period of Performance

Subject to its other provisions, the period of performance of this Agreement shall commence on February 17, 2010, and be completed on **December 31, 2015** unless altered or amended as provided herein.

4. Consideration

Compensation under this Agreement shall be by Amendment to this Agreement for each authorized project. Each Amendment will include a payment schedule for the specific project.

For Project Management Services provided by DES under Attachment "A-1" of this Agreement, the CITY will pay DES a Project Management Fee for services based on the total project value per Project Management Fees Schedule set forth in Attachment "B-1".

If the CITY decides not to proceed with an Energy/Utility Conservation project that meets the CITY's cost effective criteria, then the CITY will be charged a Termination Fee per Attachment "B-1". The Termination Fee will be based on the estimated Total Project Value outlined in the Energy Audit and Energy Services proposal prepared by the Energy Services Company (ESCO).

If monitoring and verification services are requested by the CITY and provided by DES under Attachment "C-1" of this Agreement, the CITY will pay DES \$2,000.00 annually for each year of monitoring and verification services requested.

Compensation for services provided by the ESCO shall be paid directly to the ESCO by the CITY, after DES has reviewed, approved and sent the invoices to the CITY for payment.

4.1 Energy Project Management Fee for Energy Conservation Measures is \$59,900.00.

4.2 EECBG Project Management Fee is zero dollars.

All sections above have been fully amended and are shown in their entirety.

All other terms and conditions of this Agreement remain in full force and effect. The requirements of RCW 39.34.030 are satisfied by the underlying Agreement and are incorporated by reference herein.

Each party signatory hereto, having first had the opportunity to read this Amendment and discuss the same with independent legal counsel, in execution of this document hereby mutually agree to all terms and conditions contained herein, and as incorporated by reference in the original Agreement.

City of Olympia

**Department of General Administration
Division of Facilities
Engineering & Architectural Services**

Stephen H. Buxbaum, Mayor

Approved As To Form:



Assistant City Attorney



Date

Signature

Roger Wigfield, P.E.

Name

Energy Program Manager

Title

Date

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REVIEWED BY DES CONTRACT UNIT 5/16/12

ATTACHMENT A-1

Scope of Work Energy/Utility Conservation Projects Management Services

Statewide Energy Performance Contracting Program Master Energy Services Agreement No. **2011-169**

DES will provide the following project management services for each specific project for the CITY. Each individual project shall be authorized by Amendment to this Agreement.

1. Assist the CITY in the selection of an Energy Service Company (ESCO) consistent with the requirements of RCW 39.35A for local governments; or 39.35C for state agencies and school districts.
2. Assist in identifying potential energy/utility conservation measures and estimated cost savings.
3. Negotiate scope of work and fee for ESCO audit of the facility(s).
4. Assist in identifying appropriate project funding sources and assist with obtaining project funding.
5. Negotiate the technical, financial and legal issues associated with the ESCO's Energy Services Proposal.
6. Review and recommend approval of ESCO energy/utility audits and Energy Services Proposals.
7. Provide assistance during the design, construction and commissioning processes.
8. Review and approve the ESCO invoice vouchers for payment.
9. Assist with final project acceptance.
10. Provide other services as required to complete a successful energy performance contract.

ATTACHMENT B-1

Fee Schedule

2011-13 Interagency Reimbursement Costs
for Project Management Fees to Administer
Energy/Utility Conservation Projects

<u>TOTAL PROJECT VALUE</u>	<u>PROJECT MANAGEMENT FEE</u>	<u>TERMINATION</u>
5,000,001.....6,000,000.....	\$66,000.....	25,700
4,000,001.....5,000,000.....	65,000.....	25,400
3,000,001.....4,000,000.....	64,000.....	25,000
2,000,001.....3,000,000.....	60,000.....	23,400
1,500,001.....2,000,000.....	56,000.....	21,800
1,000,001.....1,500,000.....	49,500.....	19,300
900,001..... 1,000,000.....	42,000.....	16,400
800,001..... 900,000.....	39,600.....	15,400
700,001..... 800,000.....	36,800.....	14,400
600,001..... 700,000.....	35,000.....	13,700
500,001..... 600,000.....	32,400.....	12,600
400,001..... 500,000.....	29,000.....	11,300
300,001..... 400,000.....	24,800.....	9,700
200,001..... 300,000.....	19,800.....	7,700
100,001..... 200,000.....	13,800.....	5,400
50,001..... 100,000.....	7,500.....	3,500
20,001..... 50,000.....	4,000.....	2,000
0.....20,000	2,000.....	1,000

The project management fee on projects over \$6,000,000 is 1.1% of the project cost. The maximum DES termination fee is \$25,700.

1. These fees cover project management services for energy/utility conservation projects managed by DES's Energy Program.
2. Termination fees cover the selection and project management costs associated with managing the ESCO's investment grade audit and proposal that identifies cost effective conservation measures if the CITY decides not to proceed with the project through DES.
3. If the project meets the CITY's cost effectiveness criteria and the CITY decides not to move forward with a project, then the CITY will be invoiced per Attachment B Termination or \$25,700.00 whichever is less. If the CITY decides to proceed with the project then the Agreement will be amended per Attachment B for Project Management Fee.
4. If the audit fails to produce a project that meets the CITY's established Cost Effectiveness Criteria, then there is no cost to the CITY and no further obligation by the CITY.

Rev. 3/12/12

ATTACHMENT C-1

Scope of Work Energy/Utility Conservation Projects Monitoring Services

Statewide Energy Performance Contracting Program Master Energy Services Agreement No. **2011-169**

If requested DES will provide the following monitoring services for each specific project for the CITY.

1. Monitor actual energy use and dollar costs, compare with the ESCO's annual Measurement and Verification (M&V) report and any ESCO guarantee, resolve differences, if needed, and approve any vouchers for payment.
2. Monitor facility operations including any changes in operating hours, changes in square footage, additional energy consuming equipment and negotiate changes in baseline energy use which may impact energy savings.
3. Provide annual letter report describing the ESCO's performance, equipment performance and operation, energy savings and additional opportunities, if any, to reduce energy costs.

